

Southwestern Pennsylvania Commission



Full Commission Meeting

December 16th, 2024



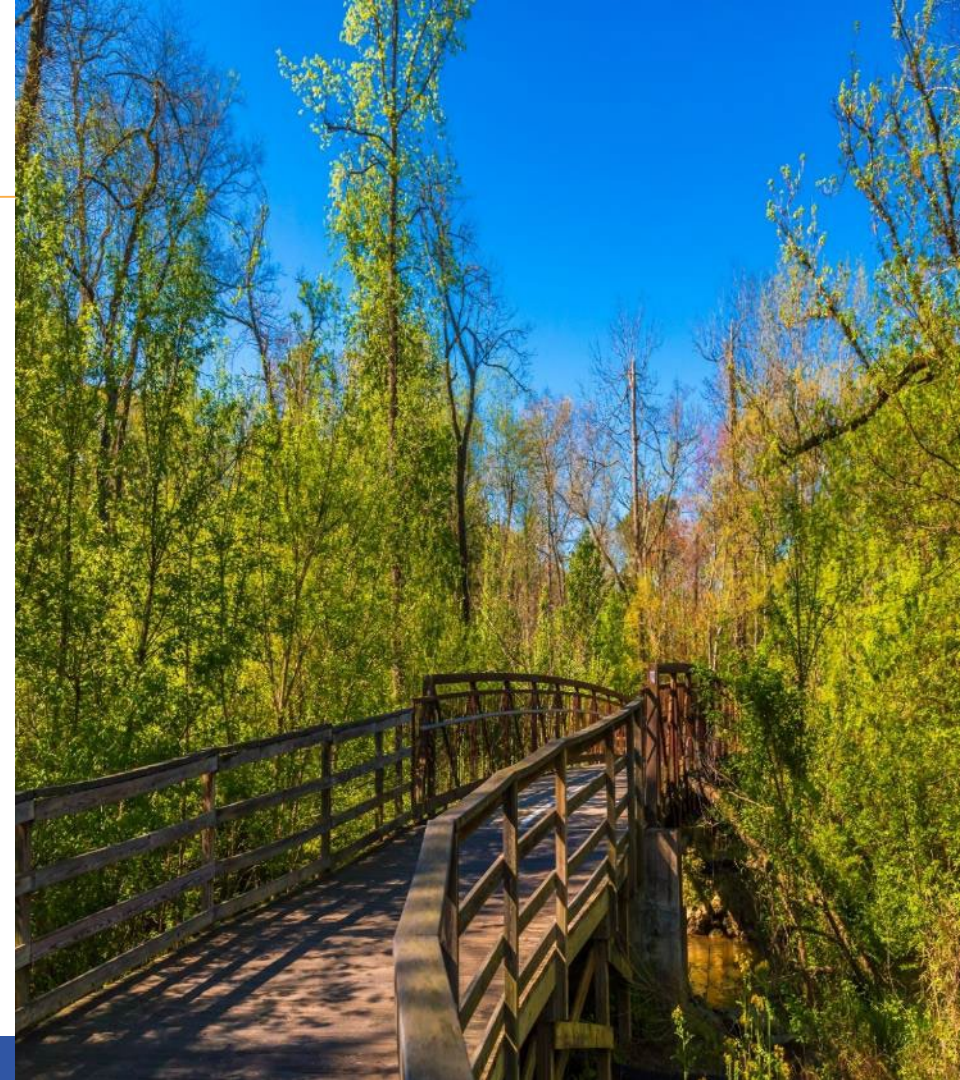
Opening Agenda Items

Welcome/Introductions and Call to Order

- Quorum
- Conflict of Interest Declarations on Action Items

Action on Minutes from October 28th, 2024 Meeting

Public Comment



Executive Director's Report 2024 Annual Report Presentation

Rich Fitzgerald, Executive Director

Agenda Item: 4



2024 Annual Report

- This report showcases some of the major achievements in the last year but is only a highlight.
- Printed copies are available for commissioners in-person
- Report will also be distributed digitally to commission members, stakeholders, and the public



ANNUAL REPORT *CONNECTING THE REGION* FY23-24



ALLEGHENY, ARMSTRONG, BEAVER,
BUTLER, FAYETTE, GREENE, INDIANA,
LAWRENCE, WASHINGTON,
WESTMORELAND COUNTIES AND THE
CITY OF PITTSBURGH.



Eastern Multimodal Corridor

- Transportation Secretary Pete Buttigieg announced \$142M for rehabilitation to the Parkway East and East Busway
- Includes improvements to the 376 “bathtub”
- Competitive grant was awarded through merit and advocacy



Advocacy



- Commissioners and staff visited elected officials in Washington, DC and Harrisburg
- Meetings with most of our SWPA delegation and statewide leaders
- Discussed a wide range of shared regional priorities
- These trips yielded significant attention to our region

Protecting our Region's Rivers

- Through STAR Initiative, renewed focus on our rivers
- Language in WRDA to protect lock levels of service
- Continued study of economic impact and preserving access to the rivers for commerce and recreation



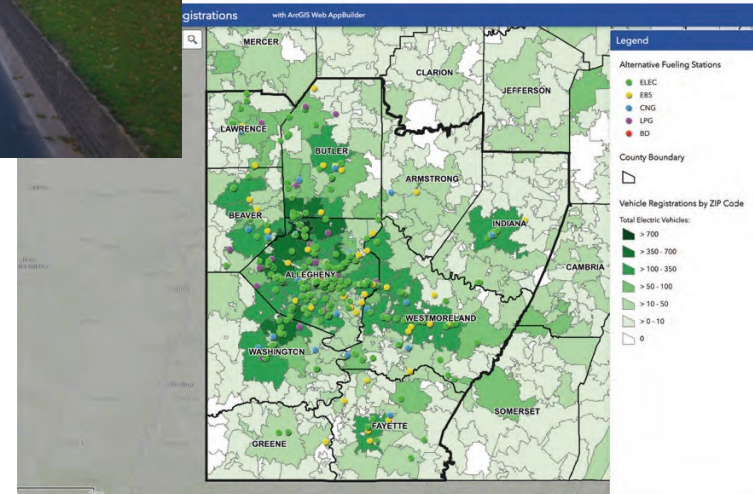
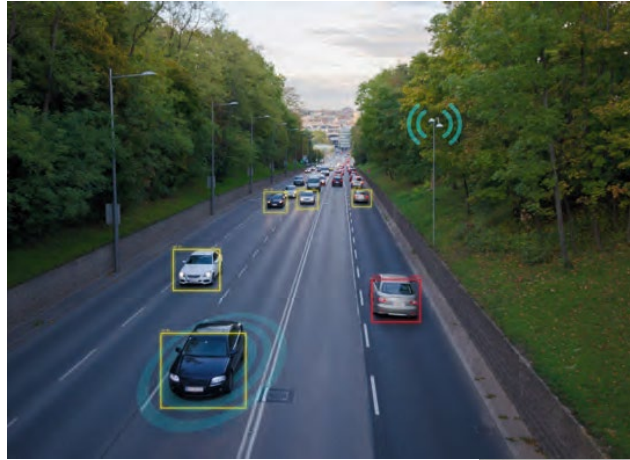
Transportation Network Refinement

- SPC's TIP funded 101 bridge projects, 23 of which were for structurally deficient bridges
- Over 70 miles of roadway resurfacing
- Road safety audits and road diets
- SPIKE Funding



SPC as a Data Powerhouse

- New AI traffic counting systems conducted 69 counts across the region
- Numerous data-based tools online
- SPC's data is used by dozens of external partners and the public



Supporting Small Businesses

- Over XXX in Small Business Loans
- Fancy Food Show in NYC
- Some other Statistic



Growing our Economy and Workforce



Pennsylvania
Department of Community
& Economic Development



Appalachian
Regional
Commission

- SPC Helped to bring \$XXX in funding to the region through XXX Different state and federal grants
- Trained XX workers

THANK YOU

- SPC's work would not be possible without the support of our member counties
- Your investment returns a significant economic impact to the region
- Thank you to the amazing SPC staff!



Pennsylvania Permits Fast Track Program Overview

Dj Ryan, Director of Strategic Initiatives and Policy

Agenda Item: 5



Summary of 2023-2024 Audit Report

*Tim Morgus and Michelle Hoke
Maher Duessel, CPAs*

Agenda Item: 6



MaherDuessel

Pursuing the profession while promoting the public good®

www.md-cpas.com

SPC Audit Committee Meeting

TIM MORGUS, CPA, CFE, CGFM, MANAGING PARTNER

MICHELLE HOKE, CPA, SENIOR MANAGER

December 16, 2024

Audit Deliverables

- ❑ Communications to those Charged with Governance
- ❑ Single Audit Financial Report
- ❑ 990 – SWPA Corporation

Communications to Those Charged with Governance

- ❑ Our Responsibilities under Auditing Standards Generally Accepted in the United State of America, Government Auditing Standards and Uniform Guidance
- ❑ Significant Accounting Policies
- ❑ Accounting Estimates
- ❑ Disclosures
- ❑ Difficulties Encountered in Performing the Audit
- ❑ Corrected and Uncorrected Misstatements

Communications to Those Charged with Governance (continued)

- ❑ Disagreements with Management
- ❑ Management Representations
- ❑ Management Consultations with Other Independent Accountants
- ❑ Items Discussed Prior to Retention of Independent Auditors
- ❑ Other Matters

Single Audit Financial Statements

- ❑ Independent Auditor's Report

- ❑ Management's Discussion and Analysis

- ❑ Fund Financial Statements
 - Revenues up \$7.5M or 67.2% (Grant Activity)
 - Expenditures up \$7.9M or 66.3% (Grant Activity)
 - Negative (\$569,429) general fund balance (overall negative fund balance \$114,639)

Statement of Financial Position

<u>Assets</u>	<u>Governmental Activities</u>	<u>2023</u>
Cash and cash equivalents:		
Operating	\$ 309,593	\$ 96,613
Restricted	540,418	506,490
Revolving loan funds:		
Uncommitted	1,499,528	1,613,644
Total cash and cash equivalents	<u>2,349,539</u>	<u>2,216,747</u>
Accounts receivable	4,817,508	3,626,342
Prepaid expenses	313	59,004
Other assets	110,919	168,579
Loans receivable:		
Appalachian Regional Commission - RLF	1,814,644	1,923,774
Economic Development Administration - RLF	801,505	941,669
Economic Development Administration - RLF CARES Act	867,686	500,013
PIDA/SBF Loan Fund	2,854,831	2,988,893
Total loans receivable	<u>6,338,666</u>	<u>6,354,349</u>
Right-to-use assets, net of accumulated amortization	5,761,791	6,186,673
Capital assets, net of accumulated depreciation	1,020,867	750,819
Total Assets	<u>20,399,603</u>	<u>19,362,513</u>

Statement of Financial Position

Liabilities		
Accounts payable	3,123,764	2,054,526
Accrued salaries and fringe benefits	566,702	305,580
Grant advances	1,602,677	1,883,547
Unearned revenue	568,303	655,187
Notes payable - PIDA/SBF loan programs	2,854,831	2,988,893
Accrued liabilities	133,493	69,543
Loan payable - Due within one year	53,230	-
Loan payable - Due in more than one year	656,095	-
Lease liability - Due within in one year	872,139	592,201
Lease liability - Due in more than one year	5,094,369	5,645,347
Unearned revenues of revolving loan funds	4,881,814	4,761,120
Total Liabilities	20,407,417	18,955,944

Statement of Revenues, Expenditures, and Changes in Fund Balance

	Southwestern Pennsylvania Corporation	Southwestern Pennsylvania Commission		
	General Fund	Special Revenue Fund	Total	2023
Revenues:				
Federal grants	\$ -	\$ 13,335,347	\$ 13,335,347	\$ 7,253,481
State grants	-	1,783,450	1,783,450	1,523,276
SPC member contributions	-	932,867	932,867	902,004
In-kind service contributions	-	1,994,218	1,994,218	976,140
Contributions	191,979	291,987	483,966	313,419
Loan program fees	-	-	-	100,277
Interest income and other	-	110,784	110,784	81,245
Total revenues	191,979	18,448,653	18,640,632	11,149,842

Statement of Revenues, Expenditures, and Changes in Fund Balance

Capital expenditures	844,627	-	844,627	7,827,047
Debt Service:				
Principal retirement of loan, finance purchases, and leases	498,065	-	498,065	-
Interest on loan, finance purchases, and leases	81,678	-	81,678	-
Total expenditures	19,786,475	-	19,786,475	18,976,889
Excess (Deficiency) of Revenues Over Expenditures	(19,594,496)	18,448,653	(1,145,843)	(7,827,047)
Other Financing Sources (Uses):				
Transfers in	18,879,460	430,807	19,310,267	11,736,554
Transfers out	(430,807)	(18,879,460)	(19,310,267)	(11,736,554)
Loan proceeds	750,000	-	750,000	-
Leases	574,579	-	574,579	7,076,228
Total other financing sources (uses)	19,773,232	(18,448,653)	1,324,579	7,076,228
Net Change in Fund Balance	178,736	-	178,736	(750,819)
Fund Balance:				
Beginning of year	(748,165)	454,790	(293,375)	457,444
End of year	<u>\$ (569,429)</u>	<u>\$ 454,790</u>	<u>\$ (114,639)</u>	<u>\$ (293,375)</u>

Single Audit Financial Statements

- ❑ Footnotes to the Financial Statements
 - Adopted/Pending accounting standards (FN 2)
 - Loans Payable (FN 11)

- ❑ Supplementary Information – SEFA

- ❑ Reporting by Uniform Guidance

990 – SWPA Corporation

- ❑ Extended to May 15, 2025
- ❑ Sch A – Supporting Org
- ❑ Sch B - Public Disclosure copy blinds donor names/addresses
- ❑ Sch C – Political , D, J, R and O

990 – SWPA Corporation

- ❑ Sch D – Footnotes to 990
- ❑ Sch J – Compensation Information
- ❑ Sch R – Related Organizations
- ❑ Sch O - Misc

Contact Information

- ❑ Tim Morgus, CPA, CFE, CGFM, Managing Partner
tmorgus@md-cpas.com Phone: 412-535-5502

- ❑ Michelle Hoke, CPA, Senior Manager
mhoke@md-cpas.com Phone: 412-535-5526

Financial Report

Ailisa Sobien, Finance Director

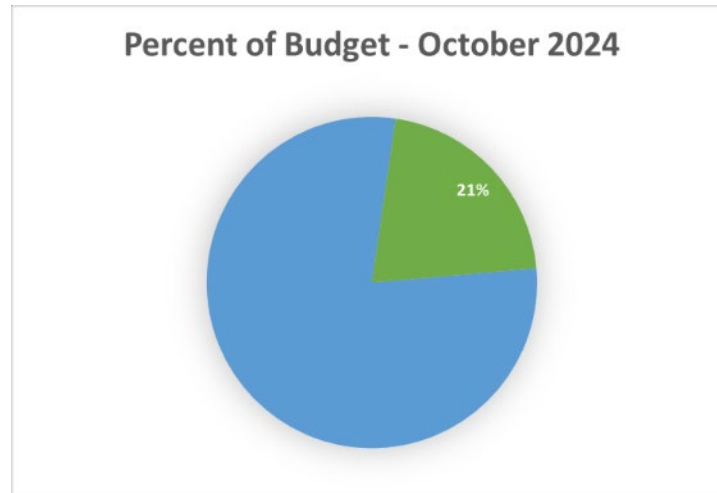
Agenda Item: 7



Financial Report

FY 24-25 Budget Status – October 31, 2024

- FY24-25 Budget \$22,949,860
- Revenue and Expenses: \$4,890,230
- Percent of Budget: 21%



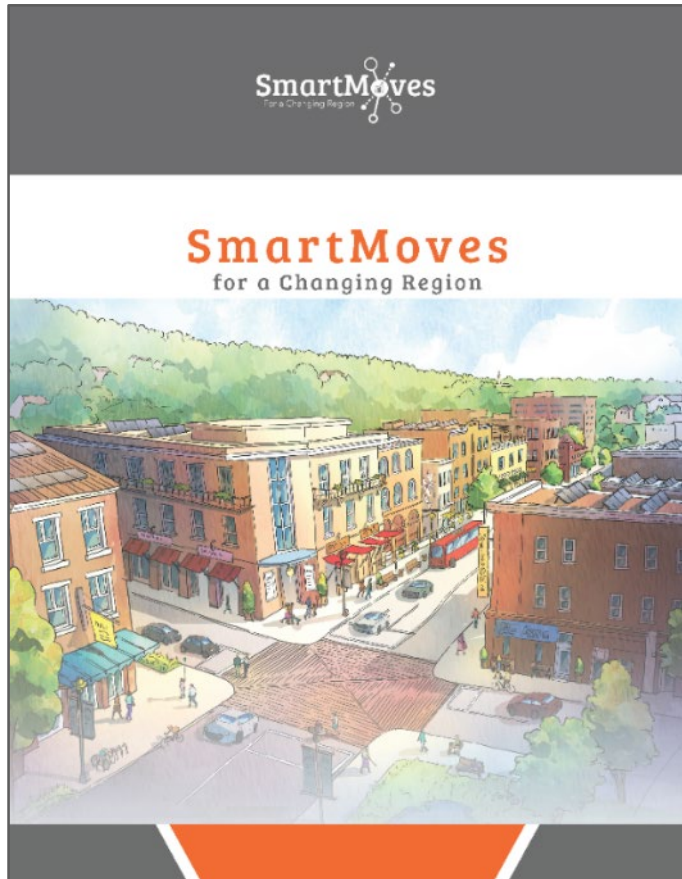
Unified Planning Work Program (UPWP) Report

*Lillian Gabreski,
Director of Transportation Planning*

Agenda Item: 8



Implementation of Plan



2025-2027

UNIFIED PLANNING WORK PROGRAM
FOR SOUTHWESTERN PENNSYLVANIA

November 2024



42 21ST STREET, SUITE 101
PITTSBURGH, PA 15222
PHONE: 412.391.5590
FAX: 412.391.9160

COMMENTS@SPCREGION.ORG
WWW.SPCREGION.ORG

UPWP Development Milestones

July 29, 2024	Revised PennDOT guidance received.
August	Memo to SPC project managers requesting UPWP design input: Provided PennDOT and SPC guidance, resource materials, and design schedule. Assigned job write-ups for ongoing projects. Project Manager strategy / direction setting sessions
September	September TTC – Review and input September TOC – Coordination with Pittsburgh Regional Transit Project managers submit draft job descriptions and budgets for ongoing projects for the 25-27 program.
October	Submittal of the preliminary 2025-2027 UPWP to PennDOT Central Office, FHWA and FTA for 30-day review and comment. TTC/TOC briefing on UPWP development Briefing on UPWP development to the Commission
November	FHWA/FTA/PennDOT respond with written comments Agency Comments resolved and integrated into Draft UPWP
December	TTC Endorsement and Recommendation for Commission Approval Final Draft UPWP for review by Executive Director, including a fiscally-balanced draft budget table. Request Commission approval of Draft UPWP for formal submission to funding agencies (PennDOT, FHWA, and FTA).



UPWP: July 2025 – June 2027

Highlight Priorities and Initiatives:

- Continue Implementation of *SmartMoves for a Changing Region and SmartMoves Connections – A Regional Vision for Public Transit Implementation*
- Regional Collaboration and Coordination
- Pursuing Federal Discretionary Funding for High Priority Infrastructure Projects
- Local Government Assistance

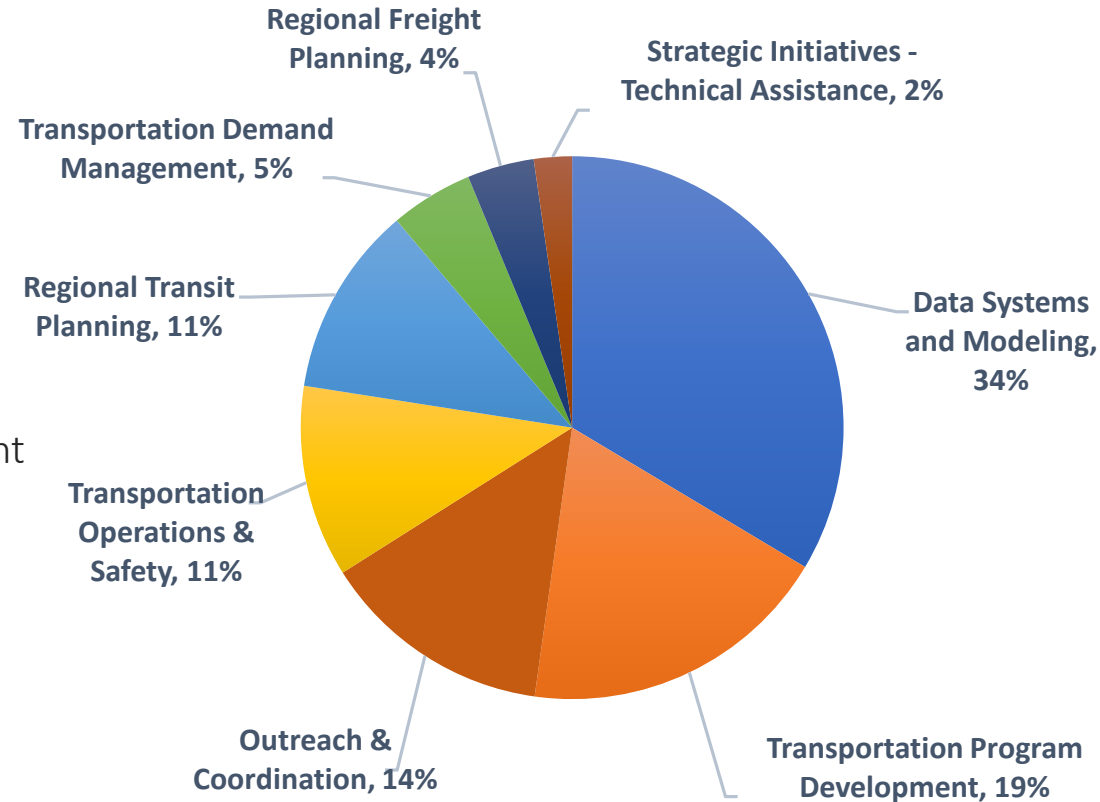
Funding Summary 6/30/25 - 7/01/27

Source	\$ Amount
FHWA	\$9,818,000
FTA	\$2,906,000
PennDOT	\$1,366,000
SPC & Other	\$1,912,500
Total	\$16,002,500

UPWP: July 2025 – June 2027

Overview:

- 2-year contract between PennDOT and SPC
- Focused yet Flexible
- 8 Functional Program Areas:
 - Transportation Plans and Programs
 - Regional Transit
 - Transportation Demand Management
 - Regional Freight Planning
 - Operations & Safety
 - Data & Modeling
 - Strategic Initiatives/Environment
 - Outreach & Coordination



UPWP: July 2025 - June 2027

Transportation Plans & Programs:

- Long Range Plan Development
- 2025-2028 TIP Administration
- 2027-2030 TIP Development
- 2027-2030 TIP Administration
- Staff support for TTC
- Program Management
- Resiliency Planning
- Technical Assistance

SmartMoves Strategies

- Regional Collaboration
- Sustainable Funding
- Coordinated Investment
- Reinvest in our Communities
- Holistic Planning
- Apply New and Best Practices
- Modernize Infrastructure
- Prioritize and Streamline

UPWP: July 2025 - June 2027

Transit Planning:

- *SmartMoves Connections* Implementation
- 2027 Transit TIP Development & Maintenance
- Technical Assistance to Transit project sponsors
- Staff support of the TOC

Regional Freight Planning:

- Regional Freight Plan Implementation and update
- Freight Forums and other Communications
- Inland Waterways

Transportation Demand Mgt.:

- TDM Program Expansion, Outreach and Coord.
- Coordination of with TMA's
- Maintenance of CommuteInfo Program and website
- Active Transportation Plan Implementation

SmartMoves Strategies

- Regional Collaboration
- Mobility for All
- Reinvest in our Communities
- Holistic Planning
- Apply New and Best Practices
- Seamless Transit Linkages
- Modernize Infrastructure
- Equitable Transportation Services

UPWP: July 2025 - June 2027

Operations & Safety

- Transportation System Management & Operations
- Regional Operations Plan Update
- Congestion Management Program
- Regional Safety Action Plan Implementation
- Road Safety Audits & Corridor Operations Plans
- Regional Traffic Signal Program
- Traffic Incident Management Program
- ITS Strategic Planning

SmartMoves Strategies

- Regional Collaboration
- Mobility for All
- Reinvest in our Communities
- Apply New and Best Practices
- Facilitate Seamless Linkages
- Modernize Infrastructure
- Prioritize and Streamline
- Offset Potential CAV Impacts

UPWP: July 2025 - June 2027

Data & Modeling

- Travel Demand & Accessibility and Economic Modeling
- Air Quality Modeling
- GIS Data Operations and Maintenance
- Long Range Plan Data Support
- Continue Big Data Utilization and Sharing
- HPMS (traffic counting/inventory)
- Performance Metric Tracking Dashboard Enhancements
- Online Regional Data Center

Strategic Initiatives/Tech Assistance

- Environmental Justice & Equity Dashboard
- Support Electric Vehicle initiatives/outreach and funding
- Technical assistance on applying for additional discretionary and non-traditional funding

SmartMoves Strategies

- Regional Collaboration
- Apply New and Best Practices
- Smart Data Systems
- Modernize Infrastructure
- Employ Emerging Technologies
- Funding and Financing

UPWP: July 2025 - June 2027

Outreach & Coordination/Support Activities

- Communications and Outreach
- Public Participation Plan – implementation
- Limited English Proficiency Plan
- Public Participation Panels
- Support TIP and LRP development
- Social Media support of SPC activities and programs
- Continued Website Enhancements

SmartMoves Strategies

- Regional Collaboration
- Equity in Planning
- Apply New and Best Practices
- Increase Public Awareness

Resolution No. 11-24 to approve submission of the 2025-2027 UPWP

*Lillian Gabreski,
Director of Transportation Planning*

Agenda Item: 9



Update and Discussion of SPC By-laws

Dusty Elias Kirk, Board Solicitor

Agenda Item: 10



ReedSmith

Southwestern Pennsylvania
Corporation and Commission –

Summary of Updates to
Articles of Agreement and
Bylaws

Part I
Summary of Changes to
Amended and Restated
Articles of Agreement and
Bylaws of Southwestern
Pennsylvania Commission

General Overview of Changes



General Changes.

Clean up and edits made for clarity, including the new address, and to reflect the amendments to the original Articles.

Changes to Article 1 - Purpose

Added SPC's purpose, as stated on the SPC's website and SPC's Designation as a Metropolitan Planning Organization ("MPO").

Changes to Article 2 - Definitions

Added definition of MPO and Transportation Technical.

Changes to Article 7 - Commissioners

Clarified that, of the 5 Commissioners appointed by a Member County, 3 would be County Commissioners and 2 would be either private citizens resident in the County or elected officials from a local government.

Changes to Article 11 - Agency

Added sentence that the updated Articles would control over any conflicting Bylaws of the Southwestern PA Corporation.

Changes to Article 13 - Bylaws

Made various updates to Bylaws, including updating Section 13.13 (Voting Power), Section 13.17 (Terms), and Section 12.23 (Informal Action by the Commissioners).

Changes to Article 16 - Adoption

Clarified that the new Amended and Restated Articles would supersede the original Articles.

Article 1 – Purposes

New Section 1.2 (Purpose) is added to specify the purposes for which the Commission would be established:

- A. Establish policy for continuing, comprehensive and cooperative transportation planning processes in the region including development of the Transportation Improvement Plan.
- B. Identify priority needs of local communities to foster economic development.
- C. Provide environmental planning and programming with the governmental entities in the region for a variety of infrastructure, sustainability, resiliency, and climate-related issues to maximize existing resources.
- D. Provide support for small businesses and start ups to assist them in starting, developing and expanding their businesses.
- E. Assign special standing committees, or ad hoc working groups to specific assignments.
- F. Establish priorities for the development of regional planning for governmental entities.
- G. Approve planning projects and programs of capital expenditures and construction projects, including the annual Transportation Improvement Plan.
- H. Perform and approve other plans and programs as may be required by State and federal regulations, and executive orders and directives.

Article 1 – Commission’s Designation as a Metropolitan Planning Organization (“MPO”)

New Section 1.3 (MPO Technical Function) is added to provide as follows:

A. The Commission is designated as a Metropolitan Planning Organization, or “MPO”, with the technical function to establish, monitor and review the results of the technical process for urban transportation planning in Southwestern Pennsylvania.

B. In connection with the above-described technical function as an MPO, the Commission would:

- design 1. establish the technical details of the technical transportation process;
2. review and certify the satisfactory completion of the process; and
- ad 3. prepare the required MPO technical recommendations in either hoc working groups, special or standing committees, or at MPO meetings.

Article 7 – Commissioners

Section 7.1 is revised to provide that the governing body of each Member county may appoint five (5) Commissioners, as follows:

- A. Three (3) of whom will be County commissioners of the Member's governing body.
- B. Two (2) of whom will be either private citizens residing in the appointing Member county or elected officials from a local government located in the Member county.

Article 13 - Bylaws

Section	Change
13.13 – Voting Power	Clarifies that every Commissioner would be entitled to one (1) vote, except for those designated as Non-Voting Commissioners.
13.17 – Terms	Adds language that an Executive Committee will be elected at every second annual meeting of the Commissioners, with each member of the Executive Committee to serve for two (2) years thereafter until his or her successor is elected.
13.23 – Informal Action by the Commissioners	Adds a provision that, in the event of exigent circumstances as determined by the Board Chair, action of the Executive Committee may be taken at an informal meeting. Any such action may be ratified and acknowledged at a subsequent formal meeting of the Executive Committee.

Part II
Summary of Changes to
Amended Bylaws of
Southwestern Pennsylvania
Corporation

General Overview of Changes



General Changes

Clean up and edits were made to reflect amendments to original Bylaws, including the new address.

Changes to Article II - Members

- Updated language to reflect multiple Members of the Corporation, rather than a sole Member.
- Updated Notice provisions.
- Updated language entitling each Commissioner to a vote.
- Updated language so that each Commissioner is that is entitled to a vote under the Articles is similarly entitled to a vote as a Member
- Removed provisions that made the Commissioners entitled to a vote in the event of certain specified corporate events affecting the Sole Member.

Changes to Article III - Directors

- Clarified that the Commission members that make up the Board are elected from the Commissioners appointed by each of the member local governments which have formed the Commission.
- Clarified that all regular meetings shall be held in accordance with the notice requirements in the Bylaws.
- Specified that Article III applies to the Chairman of the Board of Directors.

Changes to Article IV - Officers

- Added a second Vice-Chairman of the Board as an elected officer
 - Updated officer and assistant officer terms to 2 years.
-

Article II – Members – Principal Changes

- Updated language to reflect a change from “sole Member” to “Members of the Corporation”, as the Corporation consists of the same governmental entities that comprise the Commission.
- Updated to allow the President or the Board to call a special meeting of the Members. (Art II, sec. 4)
- Updated notice provision to allow notice of meetings by mail or email. (Art. II, sec. 5)
- Changed quorum provision to be comprise of officers rather than directors. (Art. II, sec. 7)
- Updated language to indicate that any action taken at a formal meeting may be taken without such meeting by means of a written consent signed by all officers of the Board and notifying the Members of the same. (Art II, sec. 10)
- Updated language so that each of the Commissioners entitled to a vote as provided in the Articles of Agreement is similarly entitled to a vote as a Member. (Art. II, sec. 11)
- Removed provision which makes certain significant corporate events affecting the “sole Member” create additional rights among the Commissioners. (former Art. II, sec. 13)

Article III – Directors – Principal Changes

- Clarify that the Board of Directors will consist of the 11 members of the Commission (each elected from among the Commissioners appointed by each of the Commission members, plus the President of the Corporation, who shall be an ex-officio member of the Board. (Art III, sec. 1)
- Clarify that, in addition to its annual organizational meeting, the Board may hold regular meetings at other times and places as may be determined by e-mail or written notices to the Board. (Art III, sec. 6, 8)
- Clarify that additional Board reports (besides the annual report) may be sent to the Board members at the discretion of the Chairman. (Art. II, sec. 12)

Article IV – Officers – Principal Changes

- Added a second Vice-Chairman of the Board as an elected official. (Art IV, sec. 1)
- Clarify that each officer and assistant officer will hold office for a 2 year term, beginning at their appointment and ending when their successor is elected (Art IV, sec. 3)

Resolution No. 12-24 to Approve the updated SPC By-laws

Dusty Elias Kirk, Board Solicitor

Agenda Item: 11



Other Business

Agenda Item: 12



Next Meeting: February 24th, 2025

Agenda Item: 13



Adjourn

Agenda Item: 14

