

**MINUTES OF A REGULAR MEETING
of the
Port of Pittsburgh Commission
September 10, 2010**

A regular meeting of the Board of the Port of Pittsburgh Commission was held in the O'Neill Room, 23rd fl. of the Regional Enterprise Tower at 425 Sixth Avenue, Pittsburgh, PA.

In attendance were Commissioners:

Brown (phone)	Ferlo
Heckman	Janairo
J. Marshall (phone)	R. Marshall (phone)
McQuiston	Stephaich
Ward	

Staff present included: James McCarville, Executive Director; Mary Ann Bucci, Ass't. Executive Director; and J.D. Fogarty, Development Director. Others in attendance included: Hal Coffey, representing counsel, Grogan Graffam; Col. Graham from the US Army Corps of Engineers; Cdr. Timme from the US Coast Guard; Rob Ritson from Senator Ward's office; Jeff Jordan from RiverQuest; and Herb Packer representing PennPORTS was on the phone. Gloria Ralston, Assistant Secretary of the Port of Pittsburgh Commission, acted as Recording Secretary for the meeting.

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Vice Chairman Stephaich called the meeting to order at 12:16 PM.

Agenda Item 1. Welcome

The Vice Chairman welcomed the assembled group and introductions were made around the room.

Agenda Item 2. Old Business

Agenda Item 2. A. & 2.B. – Minutes of June 24, 2010 regular meeting and July 15, 2010 special meeting.

Motion to approve Minutes of June 24, 2010 and July 15, 2010.

Upon motion by Commissioner Ferlo (Commissioner McQuiston), the minutes of the June 24, 2010 regular meeting and July 15, 2010 special meeting were unanimously approved.

Agenda Item 3. New Business

Agenda Item 3.A. – Report of Nominating Committee & Election of Officers

The Nominating Committee, composed of Commissioners Ferlo, Woodward, Heckman and McQuiston, met and recommended the following slate of officers for re-election:

V. Chairman – Commissioner Stephaich

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Secretary – Commissioner Janairo
Treasurer – Commissioner Brown

Motion to re-elect the incumbent officers as recommended by the Nominating Committee.

Upon motion by Commissioner McQuiston (Commissioner Heckman), the slate of officers as recommended by the Nominating Committee, (V. Chairman Stephaich, Secretary Janairo and Treasurer Brown), was unanimously re-elected.

Agenda Item 3.B. – Adoption of Meeting Schedule for 2011

As required, the Commission must approve Board meeting dates for the ensuing year at the September meeting. The dates being presented were December 3, 2010; March 11, 2011; June 10, 2011; September 9, 2011; and December 2, 2011 with all meetings being on Friday with a start time of 12:15 PM.

Motion to adopt the schedule for Board meetings in 2011.

Upon motion by Commissioner Janairo (Commissioner Ward), the meeting schedule as presented was adopted for 2011 by unanimous vote.

Agenda Item 3.C. – Resolution 10-09-A to ratify budgetary changes to PennPORTS-Only Budget

The Executive Director explained that it is a requirement of the appropriation from PennPORTS that a budget utilizing every dollar be approved and submitted. A budget was approved by Resolution 10-06-A at the June 24 meeting with the stipulation that any changes to the budget would be approved by the Finance Committee and ratified by the Commission at its next regular meeting. The appropriation was reduced subsequent to the June 24 meeting and the resulting budgetary changes were approved by the Finance Committee to expedite submission to PennPORTS. Herb Packer added that the Interagency Agreement for Appropriation was currently in process. Resolution 10-09-A acknowledged the award reduction, the approval of the Finance Committee and the need to ratify the Finance Committee's approval.

Motion to accept Resolution 10-09-A to ratify the budgetary changes as approved by the Finance Committee.

Upon motion by Commissioner McQuiston (Commissioner Ferlo), Resolution 10-09-A to ratify the budgetary changes as approved the by Finance Committee was unanimously accepted.

Agenda Item 3.D. – Motion to Authorize up to \$10,000 for Port Security Grant Management Training for Potential Applicants

The Executive Director and Assistant Executive Director explained that the proposed training program would be for the applicants of the sub-grants from the Port Security Grant Program and other grant programs. The value of training the applicants pays off in proper attention to detail, more accurate reporting and smoother administrative operation in general. The training program, to be provided by Robert Lloyd of Thompson Interactive would be \$10,000 for up to 40 participants. A fee is proposed that would earn back approximately 30-50 percent of the training costs. The proposed motion would be an

approval for a one-time training program. However, the program would be evaluated and, if found to be valuable, would be brought before the Board again for approval as a continuous offering.

Commissioner Ferlo voiced his opinion that there should always be a definitive scope of services developed and adherence to an RFP process so that proposals can be submitted by all interested parties. He also suggested that charging a fee for the service should be unnecessary since the Commission does earn administrative fees in its capacity as Fiduciary Agent. The Executive Director responded that the fee was an attempt to develop a small revenue stream in the event of further appropriation cuts. A discussion of the pros and cons of the RFP process and charging for the training ensued.

Motion to engage the grant management training consultant recommended by staff at a cost not to exceed \$10,000 and to approve charging a \$25 registration fee per applicant to participate in the training. The training program is to be evaluated at its completion and a report presented to the Board.

Upon motion by Commissioner Ward (Commissioner Janairo), the motion to expend up to \$10,000 for a grant management training program that carries a \$25 registration fee per applicant with a follow-up evaluation to be presented to the Board was unanimously passed.

Agenda Item 3.E. – Presentation on RiverQuest Outreach Program

The Executive Director introduced Jeff Gordon from RiverQuest, a small grant recipient. Mr. Gordon explained that RiverQuest used to be called Pittsburgh Voyager and has been presenting on the rivers for 15 years serving over 100,000 people with educational programs and displays. The program's philosophy is to establish stewardship or the knowledge of the river's value by gaining ownership of it. In short, to understand the rivers is to appreciate the rivers' value.

The current program is the product of RiverQuest's affiliation with River Works Discovery, a program of American Electric Power, River Operations. The River Works Discovery (RWD) program educates students and their families about the relationship of American waterways to the country's history, development, economy and future. Because of the grant from the Port of Pittsburgh Commission, RiverQuest was able to develop a way to present the RWD program to a lot of people, while representing not only their own interests but those of the Port of Pittsburgh as well, in a way not usually financially feasible by a non-profit. This is the second year for this program and is RiverQuest's largest "off-the-boat" initiative to date, presenting to approximately 3,500 people at festivals and community functions. The grant helps to underwrite the costs of materials, printing, rentals and permits. RiverQuest is currently working with the Waterways Association to put together a River Works Discovery themed presentation on waterway-related career awareness.

Agenda Item 3.F. – Executive Director's Report

Locks & Dams. The Executive Director reported that the infrastructure issues are getting worse instead of better. A Waterways Committee consisting of Commissioners Stephaich, Woodward and Janairo along with Mike Crall has been formed to review the situation with the Upper Ohio River Study. The committee will not debate lock sizes for the Upper Ohio but will concentrate on the unacceptable single-chamber proposals for Emsworth, Dashields and Montgomery.

In the News. Successful Editorial Boards with the Tribune-Review and the Post Gazette were convened and the Executive Director participated in a river orientation for columnist Bob Herbert from the New York Times.

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Legislation. A WRDA Bill was introduced in the House but it did not contain the 20-year plan wanted by the industry. Work is continuing with Waterways Council to try to have it included in next year's bill.

Grants. TIGER grant applications were submitted on behalf of Consol and Three Rivers Marine and Rail Terminal as per the guidelines established at the July 15 special meeting.

A mock check presentation was made by the EPA to the Commission for \$1.15 million to repower towboats with more environmentally friendly engines.

Waterway-related Development. The Lock One Marina project will not utilize the \$400,000 remaining in the Ferry Boat Discretionary Fund grant because of other requirements that were being placed on the project. It is not known at this time if the funding can be reprogrammed for another use. Pittsburgh Water Limo has acknowledged the helping hand that they received from the Ferry Boat grant. They are currently operating the water taxi under the sponsorship of Nationwide Insurance and will be offering shuttle service free of charge to the first five Steeler games this season.

Work is continuing with the Corps of Engineers on the Wireless Waterway Testbed. There is interest in the project outside of the navigation community because monitoring of many and varied systems can take place if this system is installed. The Commission will look to develop partnerships as well as strategies.

Miscellaneous. The contract with Grogan Graffam lapsed at the end of June; but a new contract, as well as a settlement agreement for services rendered since the expiration, is being worked on.

The Executive Director was nominated by PIANC-USA for the presidency of PIANC-International. This position would afford greater access to infrastructure expertise and decision makers.

Agenda Item 3.G. –Assistant Executive Director's Report

Port Security Grant Program. The Assistant Executive Director reported that she had developed spreadsheets to show the status of each year's Port Security Grant awards. These spreadsheets will be used in the future to document all updates. FEMA is processing payment for the 2007 Supplemental award and is expected shortly. The awards encompass a wide variety of projects including, but not limited to, lighting, security cameras, mobile command centers, patrol boats, etc.

Events. The Assistant Executive Director presented at or attended a number of events and meetings in the past quarter, including an event for the Towing Safety Advisory Committee (TSAC) and is working on several future events including the Imagination Cruise, for which the Commission is a Gold Sponsor, as part of the Ohio River Watershed Celebration. She is also on planning committees for the Steamboat Bicentennial Celebration and the Pittsburgh Maritime Club annual holiday event.

In the News. The Executive Director called everyone's attention to the "Captain of the Port Ohio Valley Newsletter" in which the Assistant Executive Director was featured as a "Partner in the Spotlight."

Agenda Item 3.H. –Development Director’s Report

Waterway Attractions. The Development Director reported that 600,000 people attended the Regatta and that overflow crowds visited the Landing Ship Tank (LST) that arrived in Pittsburgh on Sept. 1.

Repower Funding. As reported by the Executive Director, the EPA awarded \$1.15 million for towboat repowers and Campbell Transportation and River Salvage have already started their projects. Consol will begin at the start of 2011.

The Development and Executive Directors attended the unveiling of a new locomotive built with \$1.7 million in CMAQ funds that the Commission was instrumental in helping to secure for the Buffalo Pittsburgh Railroad.

An inventory of CMAQ-eligible towboats will be made in the next quarter. There is \$7.5 million in funding available to retrofit the boats but adequate lead time for ordering equipment and for budgetary purposes is necessary.

Development Money. The Development Director has been working on several projects in the \$15 – \$25 million range but they are hindered by the banks’ reluctance to lend for commercial real estate development. Bank of America has \$110 billion in commercial assets on their books and their board has instructed them to take that down to \$70 billion, meaning even less money available for lending.

A project being worked on with the PRA involves a food processing firm that requires a waterside location since they anticipate 25 barges of grain coming from the South annually.

North Shore Mooring. The cleats that were installed on the North Shore via the small grant awarded to the Pittsburgh Safe Boating Council are being well used. This continuous use by the same boaters, however, points to the fact that some regulation is still required in order to provide mooring for “special” vessels like the water limo and visiting boat exhibitions. Commissioner Ferlo opined that there should be a way to establish a guaranteed mooring spot for these types of vessels without getting a formal law passed. Commander Timme said that for permitted events, the holder of the permit has control over the permitted area; therefore, limiting access to the cleats. However, this will not work for Steeler games since at those times it is a public access facility. Designating a water taxi stop with a sign does not work because there is no enforcement. Commissioner Ferlo said that he would be willing to revisit the issue with city council if he can be given some video backup of the situation that exists on the North Shore.

Revolving Loan Fund. Vortex Recycling, who has fallen in arrears and was given the opportunity to make interest-only payments, has made a substantial payment but has not yet caught up.

Agenda Item 3.I. – PennPORTS

No report.

Agenda Item 3.J. – Government Liaison Report

No report.

Agenda Item 4 – Other Items Which May Come Before the Board

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The Executive Director called everyone's attention to the End-of-Year Report which was distributed before the meeting.

Col. Graham thanked everyone for the initial support he has received since coming to Pittsburgh and indicated that he and Corps staff took members of Sen. Casey's office to Emsworth to show them what it is possible to do to repair the infrastructure when the funding becomes available.

Cdr. Timme acknowledged that this was the first Commission Board meeting that he has been able to attend and he expressed his appreciation for the cooperation he receives in administering the grants, etc.

With no further business coming before the Board, Commissioner Janairo (Commissioner McQuiston) moved and seconded that the meeting adjourn. The meeting adjourned at 1:20 PM.

Respectfully submitted,

Gloria A. Ralston

Gloria A. Ralston, Assistant Secretary
Port of Pittsburgh Commission