

**STADIUM AUTHORITY OF THE CITY OF PITTSBURGH
BOARD MEETING
WEDNESDAY, JUNE 25, 2014
2:03 PM**

A general meeting of the Board of Directors of the Stadium Authority of the City of Pittsburgh was held on June 25, 2014, in Room 330 of the David L. Lawrence Convention Center. Board members in attendance: Michael Danovitz, Chairperson; Jay Anderko, Reverend Brenda Gregg, James Malanos, and Stanley Lederman, as well as Authority staff members: Mary Conturo, Douglas Straley, Rosanne Casciato, Taylor Blice, Michelle Masters, Theresa Bissell, Rifat Qureshi and Rosemary Carroll. Also in attendance: Diane Wohlfarth, Solicitor; Mike Webb and Ralph Reetz of ALCO; Jason Kobeda of Pittsburgh Associates; Frederick Winkler, architect; Tom Fontaine of the Pittsburgh Tribune Review; and Mark Belko of Pittsburgh Post-Gazette.

Mr. Danovitz called the meeting to order at 2:03 PM and requested that everyone rise for the Pledge of Allegiance. Mr. Danovitz proceeded with asking Ms. Conturo for a roll call of the Board Members. A quorum was present.

The following agenda items were discussed:

1. Public Participation

Mr. Danovitz asked if any members of the public would like to speak. Seeing none, he moved to the next item on the agenda.

2. Approval of the Minutes from the meeting of September 26, 2013.

A motion to approve was made, seconded, and carried. The Minutes were accepted.

3. Election of Officers.

Mr. Danovitz made a motion to elect new officers of the Stadium Authority. Mr. Danovitz nominated Mr. Lederman as chairman of the Authority. His motion was seconded and carried. Mr. Danovitz continued with nominations and made motions to elect Mr. Malanos as the vice-chairman, Reverend Gregg as treasurer and assistant secretary, Mr. Anderko as the secretary, and Ms. Conturo as the second assistant secretary. All motions for elections were seconded and carried.

Mr. Danovitz then turned the meeting over to the new chairman, Mr. Lederman.

Mr. Lederman thanked Mr. Danovitz for his motion to elect him as chairman. He hoped to get a lot accomplished in the next months and years. Mr. Lederman moved on to the next item of the agenda.

4. New Business.

- A. Ratification of a \$17,368 change order to Kirby Electric, Inc. for services related to the energy efficient lighting upgrade project.

Mr. Blice welcomed the new Board members and introduced himself as the facilities director for the Authority. Mr. Blice stated that the Board had previously authorized a \$507,000 contract with Kirby Electric for the energy efficient lighting upgrade at the West General Robinson Street Garage. The contract included the cost of the materials and installation of the LED fixtures and a wireless control system for increased energy savings. This change order includes the addition of restroom occupancy sensors and the guards that protect them. The replacement of damaged relays and 23 sensor modules, power to wireless gateways and heated enclosures, plus CAT5 cable runs, addition of photocell to control speed ramp fixtures, repair of two lights in the lobby and a repair to a photo cell on the roof. The total for the change order request is \$17,367.12. The MBE participation is 38.2%, and payback for this project is a very short 3.35 years. Since the beginning of March billing, the energy usage has decreased by 50% in the garage because of this project. CJL Engineering and Authority staff has viewed the work and recommends approval of the change order.

A motion to approve was made, seconded, and carried.

RESOLUTION NO. 1 (2014)

RESOLVED, by the Stadium Authority of the City of Pittsburgh and its Executive Director and other proper officers hereby ratify an \$17,368 change order to Kirby Electric, Inc. related to the energy efficient lighting upgrade project; and further that the proper officers and agents of the Authority are authorized to take all action and execute such documents as are necessary and proper to effectuate the terms of this Resolution.

- B. Authorization to enter into a not-to-exceed \$41,500 agreement with Wiss, Janney, Elstner Associates Inc. for project management and construction documentation and inspections related to sealant repairs.

Mr. Blice explained that in May 2013, WJE performed an inspection of the garage and recommended performing certain repairs on the façade and sealant of the ramps. The repairs were being phased in over several years. The first phase was last year. They did the façade and the sealant repairs on floors 1 and 2. This year we're asking WJE to perform the project management and construction inspection during the next two phases for the sealant repairs and that will include floors 3 through 9 and will be completed over the next two years. WJE will perform a condition assessment, prepare construction documents, perform repairs, and assist in the public bid process. Once the contractor is authorized by the Board to perform the repairs, WJE will review the selected contractor's documents including but not limited to the construction schedules, and project submittals, prepare field reports, process contract payment applications, and perform the inspections.

This work will be billed monthly based on an hourly rate and time spent. Upon authorization, the Authority will work with WJE to publicly bid the project for the repair work and present the recommendation to the Authority Board. Work will be coordinated with a contractor and WJE. This phase of the project will be completed by November of this year.

Mr. Lederman stated that by the motion itself and the authorization, it would be possible that the amount the Authority pays could be less than \$41,500, but not greater than that amount. He asked Mr. Blice to confirm, and Mr. Blice agreed.

A motion to approve was made, seconded, and carried.

RESOLUTION NO. 2 (2014)

RESOLVED by the Board of the Stadium Authority of the City of Pittsburgh that its Executive Director and other proper officers are authorized to enter into a not-to-exceed \$41,500 agreement with Wiss, Janney, Elstner Associates, Inc. for project management and construction inspections related to sealant repairs; and further that the proper officers and agents of the Authority are authorized and directed to take all action and execute such documents as are related and proper to effectuate the terms of this Resolution.

- C. Authorization to consent to a parking license agreement between ALCO Parking and Federal Street Hospitality Associates, L.P. to provide non-exclusive use of parking spaces in Lot 7G for parking for the planned Holiday Inn Express and Suites.

Mr. Straley introduced himself as the project executive for the Authority. He explained that the Authority has been working with Kratsa Properties on this hotel project, which is a limited service hotel located at the corner of Federal Street and Cajou Way on the North Shore, adjacent to the North Shore Garage.

The developer started construction on the hotel on June 9, 2014. It's a ten story, 135-room Holiday Inn Express. They anticipate that construction will run through September of next year. This item on the agenda relates to the parking for hotel guests for that property. This would be a 29 ½ year agreement. It would be in Lot 7G located under the highway, behind the North Shore Garage and the new hotel. It's operated by ALCO Parking and leased from PennDOT. The rate that the hotel would pay is \$15 per parking space per day, and that would be subject to an annual adjustment and approval by the Authority.

The hotel has access on a daily basis to 100 spaces and they pay \$15 / day / space for spaces used. There would be an additional number of spaces (about 54) in Lot G that the Authority could lease for daily commuter use. For Steelers and Pitt event days, the hotel would be eligible to use 125 parking spaces (as these are presold lots) and they would commit to paying for them whether they're used or not. On other event days, the hotel and ALCO Parking will work together to determine the number of spaces needed for the hotel and whatever isn't used by the hotel can be sold by the Authority for those events.

Costs for any new parking equipment that would be needed would be split 50/50 between ALCO and the Developer. ALCO would maintain the lot and keep the parking areas paved and in good order. And if the developer would need to add any additional security or lighting, that would be developer's full responsibility. If the lease with PennDOT terminates for some reason, then the Authority has identified a relocation lot of the Lot 7F across the street or the SEA's North Shore Garage. Payments by the developer for use of the lot will be made to ALCO on a monthly basis.

A motion to approve was made, seconded, and carried.

RESOLUTION NO. 3 (2014)

RESOLVED by the Board of the Stadium Authority of the City of Pittsburgh that its Executive Director and other proper officers are authorized to consent to a parking license agreement between ALCO Parking and Federal Street Hospitality Associates, L.P. to provide non-exclusive use of parking spaces in Lot 7G for parking for the planned Holiday Inn Express and Suites upon terms set forth in the attached agreement with such changes as may be acceptable to the Chairman and the Executive Director; and further that the proper officers and agents of the Authority are authorized and directed to take all action and execute such documents as are related and proper to effectuate the terms of this Resolution.

D. Authorization of new parking rates for West General Robinson Street Garage and North Shore Surface Parking Lots 1, 2, 4, 5A and 7A-7J.

Mr. Qureshi introduced himself as the development manager for the Authority. He explained that ALCO Parking is the Authority's parking operator for the parking facilities, which include West General Robinson Street Garage and the North Shore Surface Lots. ALCO has recommended certain parking rate increases, which recommendation is an annual requirement of its agreements. Staff analyzed the recommendations, taking into account the capacity of the facilities with respect to daily event usage, parking rates at comparable facilities using Pittsburgh Parking Authority's most recent market survey which was done in April 2014, and when the rates were last increased at each of those facilities.

The rate schedule attached to the resolution provided to the Board members shows hourly, monthly, lease, and event increases. Generally these provide for \$1 - \$2 increases for hourly rates, \$3 - \$5 for event rates, and \$5 - \$15 for monthly leases.

With respect to new parking technologies, as opportunities arise to provide premium services for parkers, such as online reservation of spaces, ALCO will make recommendations, and an appropriate convenience charge may be applied for such services. With respect to concerts and special events at Heinz Field and PNC Park, parking rates will continue to be set on a case by case basis based on the recommendation by ALCO and consideration of expenses, demand, and other factors. It is expected that the additional net revenue be used to pay debt service for the

facilities, fund capital repairs at the garage and lots, and provide support for future parking facilities on the North Shore.

A motion to approve was made, seconded, and carried.

RESOLUTION NO. 4 (2014)

RESOLVED by the Board of the Stadium Authority of the City of Pittsburgh that its Executive Director and other proper officers are authorized to implement new parking rates for West General Robinson Street Garage and North Shore Surface Lots 1, 2, 4, 5A and 7A-J, as attached; and further that the proper officers and agents of the Authority are authorized and directed to take all action and execute such documents as are related and proper to effectuate the terms of this Resolution.

- E. Ratification of exercise of option to engage McGee, Maruca & Associates P.C. for audit services for the period ending March 31, 2014 for a fee of \$8,000 in accordance with the Board Action of December 21, 2011.

Ms. Bissell introduced herself as the controller for the Authority. In 2011, Authority staff and the audit review committee went through the RFP process. As a result, at the December 21, 2011 Board Meeting, a proposal from McGee, Maruca & Associates for audits through the year ending March 31, 2016 was accepted and payment for 2012 was authorized. The Board authorized payment for 2013 on December 28, 2012. This Board action authorizes payment for 2014.

The 2014 year end is the third year of the engagement. \$8,000 is the fee for the annual audit. No federal audit was required for the 2014 audit. McGee Maruca & Associates is 100% WBE.

The motion was seconded, and carried.

RESOLUTION NO. 5 (2014)

RESOLVED by the Board of the Stadium Authority of the City of Pittsburgh that its Executive Director and other proper officers hereby ratify the exercise of option to engage McGee, Maruca & Associates P.C. for audit services for the period ending March 31, 2014 for a fee of \$8,000 in accordance with the Board Action of December 21, 2011; and further that the proper officers and agents of the Authority are authorized and directed to take all action and execute such documents as are related and proper to effectuate the terms of the foregoing resolutions.

- F. Authorization to designate Willis of Pennsylvania agency as the Broker for all insurance from July 1, 2014 to June 30, 2017 with an option to extend an additional two years; and authorization to bind the related insurance for 2014/2015 (property to be bound through June 30, 2016) at a cost not to exceed \$38,598 plus related fees.

Ms. Casciato stated that the Authority had issued a request for proposals in February for Insurance Broker Services and Insurance Carrier coverage for the Authority. The Sports & Exhibition Authority's Risk Management Consultant, Mark McCall from TJ&S, assisted in the selection process.

Four insurance brokers responded to the RFP. TJ&S reviewed all of the proposals to verify the broker's credentials and ability to write and service the Authority's accounts. Per each broker's request, Markets were assigned so quotes could be solicited. From the assignments, three proposals were received. Proposals were reviewed with the insurance review committee. Willis Group provided the lowest cost for a total package of \$38,598 which is a \$3K decrease from last year's package. The package includes a two year price guarantee on property insurance contingent upon a 30% loss ratio.

The authorization for Willis' service is for a three year period with the option for the Authority to extend two additional years. TJ&S and the insurance review committee recommend accepting Willis' proposal.

A motion to approve was made, seconded, and carried.

RESOLUTION NO. 6 (2014)

RESOLVED by the Board of the Stadium Authority of the City of Pittsburgh that its Executive Director and other proper officers are authorized to designate Willis of Pennsylvania agency as the Broker for all insurance from July 1, 2014 to June 30, 2017 with an option to extend an additional two years; and authorization to bund the related insurance for 2014/2015 (property to be bound through June 30, 2016) at a cost not to exceed \$38,598 plus related fees; and further that the proper officers and agents of the Authority are authorized and directed to take all action and execute such documents as are related and proper to effectuate the terms of this Resolution.

- G. Approval of the Stadium Authority Operating Budget for the period ending March 31, 2015.

Ms. Casciato stated that unrestricted budget expenses are estimated to be \$305,500 for ongoing operating costs such as salary reimbursement, insurance and professional fees which will be funded by cash on hand. She explained that the restricted budget includes daily parking lot revenues from Lots 1 through 5 and 7A to 7J which are restricted to support the debt on the

North Shore Garage and the West General Robinson Street Garage. The budget assumes no sale of the Option Area development parcels in the year.

The budget for the West General Robinson Street Garage is included as a separate budget. The garage is estimated to produce \$1.2 million net revenue which includes capital projects of \$369,000 and \$500,000 for a potential fit out for a retail space tenant. Net parking income, after debt service, pledged revenues from Lots 2-5 and other income and expenses, is estimated to be \$253,000.

A motion to approve was made, seconded, and carried.

RESOLUTION NO. 7 (2014)

RESOLVED by the Board of the Stadium Authority of the City of Pittsburgh that the Stadium Authority Operating Budget for the period ending March 31, 2015 is hereby approved; and further that the proper officers and agents of the Authority are authorized and directed to take all action and execute such documents as are related and proper to effectuate the terms of the foregoing resolutions.

H. Authorization to transfer up to \$150,000 to the Sports & Exhibition Authority for North Shore Riverfront Park capital projects.

Mr. Blice stated that the request was for authorization to transfer up to \$150,000 to the Sports & Exhibition Authority for North Shore Riverfront Park capital projects.

He explained that the City of Pittsburgh transferred the land for the North Shore Riverfront Park to the Sports & Exhibition Authority in May 2001. The park stretches from the Roberto Clemente Bridge to the Carnegie Science Center. Upon completion of all improvements, the City has the right to have the land returned to it.

The Authority collects various revenues throughout the year from users of the park, such as special event fees, donations, permit fees and in-kind services which cover the park operating costs. Such amounts help cover routine maintenance costs but are not sufficient to cover non-routine capital maintenance items. The Sports & Exhibition Authority requests that the Authority transfer funds in order to provide the necessary capital repairs in order to maintain the park as a first class venue and destination for the City of Pittsburgh and region.

The projected capital repairs through 2015 include but are not limited to concrete repairs and replacement, paintings of railings, water feature projects such as caulking, lighting repairs, and pump, motor and sand filter repairs or replacements, and other miscellaneous repairs.

Mr. Blice stated that the Authority would review each project with the Board before the Sports & Exhibition Authority committed to any expenditure.

A motion to approve was made, seconded, and carried.

RESOLUTION NO. 8 (2014)

RESOLVED by the Board of the Stadium Authority of the City of Pittsburgh that its Executive Director and other proper officers are authorized to transfer up to \$150,000 to the Sports & Exhibition Authority for North Shore Riverfront Park capital projects; and further that the proper officers and agents of the Authority are authorized and directed to take all action and execute such documents as are related and proper to effectuate the terms of this Resolution.

4. Public Participation.

Mr. Lederman asked if there were any comments from the Board. Hearing none, Mr. Lederman asked if there were any comments from the public. Hearing none, he asked for a motion to adjourn.

Mr. Danovitz asked for a motion to adjourn. The motion was seconded and unanimously carried.

The meeting was adjourned at 2:25 PM.

**Stadium Authority Parking Facilities
Recommended Rate Increases**

June 25, 2014

West General Robinson Street Garage

Daily / Weekend	Current	Recommended
0 - 2 hrs	\$3.00	\$4.00
2 - 24 hrs	\$7.00	\$8.00
Events		
Pirates	\$12.00	\$15.00
Pirates Presold Season	\$972.00	\$1,053.00
Pirates Presold (20 games)	\$260.00	\$300.00
Pirates Presold (half season)	\$512.00	\$594.00
Panthers	\$15.00	\$20.00
Leases		
Regular Monthly Leases	\$135.00	\$140.00
Event Monthly Leases	\$235.00	\$250.00

LOTS 1 & 2

Daily / Weekend	Current	Recommended
5:00am - 5:00 pm	\$6.00	\$7.00
Weekend Rate	\$5.00	\$7.00
Events		
Pirates	\$12.00	\$15.00
Pirates Post Season	\$20.00	\$25.00
Pirates World Series	\$25.00	\$30.00
Pirates Day Game Employees	\$8.00	\$9.00
Panthers	\$15.00	\$20.00

LOTS 4 & 5

Daily / Weekend	Current	Recommended
5:00am - 5:00 pm	\$6.00	\$7.00
Night & Weekend Rate	\$5.00	\$7.00
Events		
Panthers	\$15.00	\$20.00

LOTS 7A - 7J

Daily / Weekend	Current	Recommended
5:00am - 5:00 pm	\$6.00	\$7.00
Night & Weekend Rate	\$5.00	\$7.00
Events		
Pirates	\$12.00	\$15.00
Pirates Post Season	\$20.00	\$25.00
Pirates World Series	\$25.00	\$30.00
Panthers	\$15.00	\$20.00

Note: Parking rates for concerts/special events at Heinz Field or PNC Park are determined on a case-by-case basis.