

MINUTES OF THE MEETING
OF THE BOARD OF THE
SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH
AND ALLEGHENY COUNTY
HELD THURSDAY, APRIL 13, 2017
AT THE DAVID L. LAWRENCE CONVENTION CENTER
PITTSBURGH, PENNSYLVANIA
COMMENCING AT 10:35 A.M. E.S.T.

A meeting of the Board of Directors of the Sports & Exhibition Authority of Pittsburgh and Allegheny County (the "Authority") was held upon proper notice in Room 333 at the David L. Lawrence Convention Center in Pittsburgh, PA 15222, on Thursday, April 13, 2017 commencing at 10:35 A.M. E.S.T.

Members of the Authority

Present: Sen. Wayne Fontana, Chairman
Michael Dunleavy, Vice-Chairman
Sala Udin, Secretary
Councilman Daniel Gilman, Treasurer
Reverend John Welch, Member

Also Present: Mary Conturo, Doug Straley, Rosanne Casciato, Rosemary Carroll, Taylor Blice, Sharon Mink, Rifat Qureshi, Steve Morrison, Simona Loberant, Maggie Pike, Clarence Curry and Sara Payne of the Authority; Morgan Hanson, Solicitor; Tim Muldoon, Ryan Buries, Conor McGarvey, Linda Mihalic and Hiedi Strothers of SMG; Tim Pratt of Pittsburgh Associates; Keith Wehner of the Office of Senator Wayne D. Fontana; and Frederick Winkler, architect.

Senator Wayne Fontana called the meeting to order with the Pledge of Allegiance. Mr. Morgan Hanson followed with a roll call of the Board Members. Mr. Hanson confirmed that Mr. Sala Udin was attending via telephone, and he could hear the other Board Members and the Board Members could hear him. Mr. Hanson advised that a quorum was present.

Beginning with public participation, Senator Fontana asked if any members of the audience would like to address the Board. Seeing none, he moved to the next item on the agenda,

approval of the minutes from the meeting of March 9, 2017. A motion was made, seconded, and unanimously approved.

Senator Fontana continued on to the next item on the agenda under David L. Lawrence Convention Center, authorization to enter into an agreement with Emerald Electrical Services, LLC in a lump sum amount of \$38,674 for cooling tower improvements.

Ms. Linda Mihalic explained that the chilled water plant at the David L. Lawrence Convention Center utilizes two cooling towers located on the 5th floor east and west rooftops. The cooling towers are original to building construction. The cooling towers use aquifer water and a heat exchanger to eliminate heat that is produced as a result of chiller operations. Inlet water is pumped from the chiller plant and enters the clean and balance chamber, where it is strained and distributed over the heat exchange medium. The water is then collected at the base of the cooling tower and then pumped back to the chiller plant to complete the cooling water loop. Veolia Water North America, the operator of the chilled water plant, has recommended repairs and improvements for each of the cooling towers. SMG has reviewed and is in agreement with the recommendations.

The project consists of three parts:

The original galvanized steel piping and fittings that make up the clean and balance chamber are corroded, and the material is at the end of its useful life. The new parts will be fabricated out of PVC material. Two basin sump heaters will be replaced as well. Similar repairs to the east cooling tower were completed in January 2017.

A total of seven valve actuators will be replaced on the piping for both cooling towers. The original actuators are no longer functional and will be replaced in kind. This work will allow the

cooling towers to be isolated from water flow for periodic scheduled maintenance and during the winter season.

The Board authorized the purchase of pre-engineered replacement parts from Fluid Tech in October 2016. The material was purchased directly to take advantage of the SEA's tax-exempt status. The scope of work in the current authorization is for labor to install the material. Similar repairs to the west cooling tower were completed in 2015.

The project was advertised in the Pittsburgh Post-Gazette, New Pittsburgh Courier, and on the SEA website. Six firms attended the pre-bid meeting on March 20, 2017. Three bids were received. Emerald Electrical Services, LLC provided the low bid. Emerald Electrical Services is an MBE company.

The work is anticipated to be completed in May 2017. There is a one-year warranty on the work.

Senator Fontana asked if there were any questions from the Board. Hearing none, he asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5464

Resolved by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to enter into an agreement with Emerald Electrical Services, LLC in a lump sum amount of \$38,674 for cooling tower improvements; 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.

Senator Fontana introduced the next item, authorization to enter into an agreement with Mendel Steel & Ornamental Iron Co. in a lump sum amount of \$5,975 for east cooling tower platform extension.

Ms. Mihalic explained that the access platform for the east cooling tower for the chilled water plant at the David L. Lawrence Convention Center will be modified for installation of the new ladder, which is approved under previous authorization.

Five contractors were requested to provide proposals for the work. Three proposals were received. Mendel Steel provided the lowest proposal.

The work is anticipated to be completed in May 2017 and will be coordinated with the ladder installation. There is a one-year warranty on the work. Mendel Steel & Ornamental Iron is a WBE company.

Senator Fontana asked if there were any questions from the Board. Hearing none, he asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5465

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to enter into an agreement with Mendel Steel & Ornamental Iron Co. in a lump sum amount of \$5,975 for east cooling tower platform extension; and further that the proper officers and agents of the Authority are authorized to take all action and execute such documents as necessary and proper to effectuate the terms of this resolution.

Senator Fontana introduced the next item, authorization to enter into a three-year agreement with Cintas Corporation for employee uniform lease/rental services and maintenance in an amount not to exceed \$54,298 with a fourth-year option in an amount not to exceed \$19,011.

Mr. Conor McGarvey explained that SMG is currently operating on a month-to-month contract with Iron City Workplace Services for the service and maintenance of uniforms for the labor, trades, and security departments of the David L. Lawrence Convention Center. The current agreement is \$18,000 annually and covers the 22 full-time labor and trades, and the over 50 full-time and part-time

security guards. After feedback from DLCC customers and recommendations from SMG leadership, it was decided to outfit the greater pool of part-time and casual cleaners and housemen with uniforms. This pool includes approximately 200-250 additional employees in a given year.

SMG issued a request for proposals (RFP) for a new three-year agreement with a fourth-year option on February 2, 2017. The RFP was posted on the SEA website, and listed in the New Pittsburgh Courier and the Pittsburgh Post-Gazette. SMG notified three companies. A pre-proposal meeting was held on February 9. Proposals were received from Cintas Corporation and Iron City Workplace Services. Cintas submitted the low proposal.

Cintas has been servicing DLCC first aid kits and AEDs for the last five years in a satisfactory manner. It is recommended to award Cintas Corporation a three-year agreement with an owner option for a fourth year. DLCC employees will be measured for new uniforms in the last week of April. There is a 3-5 week lead time on the new garments after measurements have been taken. DLCC employees will be outfitted with the new uniforms by no later than June 5.

Cintas manufactures many of its garments at its own facilities and maintains a 13-point Code of Conduct for all garments. Points include, but are not limited to: set working hours, wages and overtime in compliance with local laws, operating within compliance of anticorruption, compliance with section 1502 of the Dodd-Frank Wall Street Reform ruling on Conflict Materials, and an annual 310-point audit program that is certified under the Worldwide Responsible Apparel Production (WRAP) Guidelines.

Senator Fontana asked if there were any questions from the Board. Hearing none, he asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5466

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to enter into a three-year agreement with Cintas Corporation for employee uniform lease/rental services and maintenance in an amount not to exceed \$54,298 with a fourth-year option in an

amount not to exceed \$19,011 upon staff evaluation; and further that the proper officers and agents of the Authority are authorized to take all action and execute such documents as necessary and proper to effectuate the terms of this resolution.

Senator Fontana introduced the next item, authorization to enter into a three-year agreement with American National Skyline, Inc. for building exterior cleaning of metal surfaces in an amount not to exceed \$209,625.

Mr. McGarvey explained that in 2009, the Convention Center building exterior was extensively cleaned for the first time since initial construction was completed. The cleaning was necessary to avoid permanent staining, and it included cleaning the Alucobond panels, precast concrete, aluminum panels, and galvanized steel paneling, louvers, and the ceiling above 10th Street and Fort Duquesne Boulevard. In 2014, a three-year contract was awarded to American National Skyline, Inc. to clean exterior surfaces at the Convention Center. That contract will be expiring this month.

An RFP was issued and advertised in the Pittsburgh Post-Gazette and the New Pittsburgh Courier and on the SEA website. The following five companies were also sent the notice to proposers: John W. McDougall, American National Skyline, Inc. (ANSI), Allegheny Window Cleaning, Inc., Graciano Corporation, and Mariani & Richards, Inc. A non-mandatory pre-proposal meeting was held on February 9 with one company in attendance. The RFP requested that contractors parcel the costs to clean 30 separate areas of the exterior walls of the DLCC. Companies had the option of submitting proposals to clean precast concrete surfaces and metal surfaces separately. ANSI, Mariani & Richards, and Shamrock Building Services submitted proposals. A committee consisting of Ryan Buries and Conor McGarvey of SMG evaluated the proposals and attended the scope reviews. ANSI submitted the lowest proposal for cleaning metal surfaces; the committee recommends hiring ANSI for that portion of the work.

ANSI will mobilize in 2017, 2018, and 2019 on dates agreed to by both the DLCC and ANSI. Selected areas will be cleaned based on priority and need. ANSI will clean the building with approved cleaning methods and materials. Each annual cleaning will take between three to four months to complete and will be done prior to cleaning the exterior of the windows at the DLCC.

The scope of work for 2017 includes Alucobond panels above and around the South Terrace Green Roof, the entire second, third, and fourth floor North Façade and other areas as appropriate with an estimated cost of \$61,530. The contract amount includes a \$27,000 allowance for aerial lift rental and street closure permits which will only be used if needed.

Senator Fontana asked if there were any questions. Hearing none, he asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5467

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are to enter into a three-year agreement with American National Skyline, Inc. for building exterior cleaning of metal surfaces in an amount not to exceed \$209,625; and further that the other 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.

Senator Fontana introduced the next item, authorization to enter into a three-year agreement with Mariani & Richards, Inc. for building exterior cleaning of precast concrete surfaces in an amount not to exceed \$85,000.

Mr. McGarvey explained the RFP requested that contractors parcel the costs to clean 30 separate areas of the exterior walls of the DLCC. Companies had the option of submitting proposals to clean precast concrete surfaces and metal surfaces separately. A committee

consisting of Ryan Buries and Conor McGarvey of SMG evaluated the proposals and attended the scope reviews. The committee recommends hiring Mariani & Richards for the cleaning of precast concrete surfaces, based on a combination of fair price and depth of experience.

Mariani & Richards specializes in concrete and masonry cleaning and restoration. They have completed similar projects such as the Pittsburgh International Airport, Parking Garages, and Trib Total Media building all with a satisfactory result. To date, the precast cleaning at the Convention Center has not met the desired outcome and as it ages, it has become even more difficult to clean.

Mariani & Richards will mobilize in 2017, 2018, and 2019 on dates agreed to by both the DLCC and Mariani & Richards. Selected areas will be cleaned based on priority and need. The scope of work for 2017 includes the precast above the DLCC parking garage and on the east side of the building by the 11th Street loading dock with an estimated cost of \$10,000.

Mariani & Richards will clean the precast using approved cleaning methods and materials. Each annual cleaning will take between three to four months to complete, and will take place sometime between April and October each year.

The contract amount includes a \$27,000 allowance for aerial lift rental and street closure permits, which will only be used if needed.

Senator Fontana asked if there were any questions from the Board Hearing none, he asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5468

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to enter into a three-year agreement with Mariani & Richards, Inc. for building exterior cleaning of precast concrete surfaces in

an amount not to exceed \$85,000; and further that the other 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.

Senator Fontana introduced the next item, authorization to enter into an agreement with Hub Parking Technology in a lump sum amount of \$30,230 for the purchase of a pay-on-foot machine.

Mr. McGarvey explained that in March 2016, the Board approved a contract for the purchase and installation of four entry stations, four exit stations, four barrier gates and an upgrade to the DLCC parking garage software system. The remaining parking garage revenue control equipment that is original to the DLCC includes five pay-on-foot and credit-card only pay stations. The pay stations have been failing at an increasing rate and are approaching or have reached the end of their useful life. As the pay-on-foot stations break down, new replacement parts are no longer available. The DLCC has been forced to buy rebuilt parts that have a limited lifespan versus new parts. The chance of one or more units breaking and not being able to be repaired in a timely manner is increasing and would greatly affect the business at the DLCC during an event.

HUB Parking Technologies equipment is the only system compatible with all of the DLCC pay-on-foot stations, credit-card only pay stations, credit card interface system, and the DLCC parking garage accounting system. To ensure that the DLCC was receiving the best price, HUB Parking Technologies was asked to share quotes from comparable projects. The pricing on the comparable projects was in line with what HUB bid on the DLCC project.

The lead time for this project is approximately 12 weeks. The pay-on-foot station has a one-year on-site warranty covering all parts, labor, travel, and help desk calls. The equipment has a useful life of 10 years.

Senator Fontana asked if there were any questions from the Board. Hearing none, he asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5469

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to enter into an agreement with Hub Parking Technology in a lump sum amount of \$30,230 for the purchase of a pay-on-foot machine; 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.

Senator Fontana introduced the next item, authorization to enter into an agreement with Dagostino Electronic Services, Inc. in a lump sum amount of \$61,547 for security system software and server replacements.

Mr. Steve Morrison explained that the Authority upgraded the Convention Center's security system in 2010 installing new IP (Internet Protocol) cameras, access control and recording servers. Those servers have reached the end of their useful life. In 2016, we replaced two of the original seven servers and are now consolidating the remaining five servers into three new servers and upgrading the software to the Genetec recording platform.

When upgrading the recording servers, it is necessary to purchase a software upgrade. After careful review of software options, a switch to the Genetec platform for video recording is recommended. This platform has better options and is also an access control solution (which will allow us to switch to one integrated solution with future upgrades). Some of the other benefits to

the Genetec software are: (a) lower future maintenance costs, (b) used by the City of Pittsburgh which will enable easier ability to share cameras with Pittsburgh Public Safety Department and (c) allows mobile access.

Dagostino has provided a quote through the state's COSTARs program which includes software licensing, installation, and three new servers. This will consolidate all of the services from our five remaining original servers. This price was negotiated down from their original COSTARs pricing.

The Authority anticipates the new servers will have a useful life 5-8 years and includes a five-year software/hardware warranty and a one-year warranty on the labor. The replacement server will be installed by the middle of May 2017.

Senator Fontana asked if there were any questions from the Board.

Mr. Sala Udin asked what the state of the current security and anti-hacking measures is.

Mr. Morrison responded that there are both physical and electronic security measures in place to protect the servers. They are housed in a secure rack that is in a room that is card-read access only, which is also under camera surveillance. Electronically, the servers are on their own network behind a firewall and routers, limiting external access to it.

Mr. Udin asked if Mr. Morrison thought the security measures in place were enough today's advancing electronic world.

Mr. Morrison responded that he believes the security in place is at a high level for the price that is being paid. The security options are reviewed regularly, but it is a matter of how much money is able to be spent on it. Mr. Udin asked that the Authority staff could further look into what options are available.

Rev. Welch asked for clarification on how many servers are being replaced.

Mr. Morrison responded that there were originally seven servers. Last year two of the servers were replaced with one server, and this authorization will replace the remaining five servers with three. There will be a total of four security servers.

Rev. Welch also asked that during the further review of the security system that Mr. Udin requested, the Authority notes what sensitive information is kept on these servers.

Senator Fontana asked if there were any other questions from the Board. Hearing none, he asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5470

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to enter into an agreement with Dagostino Electronic Services, Inc. in a lump sum amount of \$61,547 for security system software and server replacements; and further that the other 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.

Senator Fontana introduced the next item under Lower Hill Infrastructure, authorization to request a Community Conservation Partnerships Program grant in an amount up to \$1,000,000 from the PA Department of Conservation and Natural Resources to be used for the I-579 "Cap" project, and if approved, to enter into all documents for receipt of funds.

Mr. Rifat Qureshi explained that the Authority is requesting assistance from the Department of Conservation and Natural Resource through its Community Conservation Partnerships Program (C2P2) for funding of a portion of the I-579 "Cap" Project in an amount up to \$1,000,000.

The application is for a Park Rehabilitation and Development grant which funds the development of public parks, recreation facilities, greenways, rivers conservation and other projects.

The overall cost of the “Cap” project is estimated at \$26.44m for base construction (not including some surface park improvements). The grant, if awarded, will cover the cost of a portion of surface park features including recreation, landscaping and integrated artwork elements. There is a 50% match required for the grant, which will be provided by funding from the project and Authority. The award announcement is expected in the fourth quarter of this year.

Senator Fontana asked if there were any questions from the Board.

Councilman Gilman asked what specific category the grant falls under for the C2P2 program.

Mr. Qureshi responded that this is for the Park Rehabilitation and Development category.

Sen. Fontana said to make sure that application is specific to the category and what will be funded if the grant is awarded.

Hearing none, he asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5471

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to request a Community Conservation Partnerships Program grant in an amount up to \$1,000,000 from the PA Department of Conservation and Natural Resources to be used for the I-579 “Cap” project, and if approved, to enter into all documents for receipt of funds; 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.

Senator Fontana introduced the next item under North Shore Riverfront Park, authorization to enter into an agreement with CSD Engineers, LLC in a lump sum amount of \$33,500 for a structural inspection of North Shore Riverfront Park structures.

Mr. Taylor Blice explained that the Authority currently owns and maintains the North Shore Riverfront Park, which consists of a variety of structural components including Market Street Pier, the Esplanade Pedestrian Bridge, and the Sheet Pile Wall. Structural inspections are done every five years to identify maintenance needs and confirm structural integrity.

A notice to proposers was advertised in the Pittsburgh Post-Gazette, New Pittsburgh Courier, and on the SEA website. Fourteen firms were notified, including two MBE and two WBE firms. A pre-proposal meeting was held on March 15, 2017, and two firms attended. Two proposals were received from CSD Engineers, LLC and Chester Engineers. Scope reviews were conducted with each company.

SEA staff recommends that the contract be awarded to CSD Engineers based on their price being the lowest, their qualifications and their previous experience. There will be 18.6% MBE participation with Advantus Engineers for inspection site supervision. Hourly pricing was received so that if repairs are recommended, the design work for a bid package can be completed by CSD under the hourly rates provided as a change order.

Senator Fontana asked if there were any questions from the Board. Hearing none, he asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5472

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to enter into an agreement with CSD Engineers, LLC in a lump sum amount of \$33,500 for a structural inspection of North Shore

Riverfront Park structures; 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.

Senator Fontana introduced the next item, authorization to enter into an agreement with Plantscape, Inc. in an amount not to exceed \$6,842, with all costs to be reimbursed by Colcom Foundation, for landscaping services at the Tribute to Children Monument and Law Enforcement Officers Memorial.

Mr. Blice explained that in 2014, Colcom Foundation expressed interest in obtaining year-round landscape maintenance services at Tribute to Children (TTC). The work includes planting annuals, pruning trees and shrubs, weeding, mulching, etc. For the third year Colcom requested that some services be expanded such as fertilizing, weed control, litter pickup, sweeping of all hard surfaces and debris control at the TTC. They also wish to cover the cost of these services for the Law Enforcement Officers Memorial (LEOM).

The Authority solicited quotes for a one-year contract. Plantscape, Inc. submitted the lowest quote.

Plantscape has been landscaping the LEOM since 2014, and Colcom and the Authority are satisfied with the work. Plantscape also provides landscape maintenance for the North Shore Riverfront Park and other City of Pittsburgh parks. Colcom Foundation reviewed the quote and recommended Plantscape for a one-year contract. Plantscape is a WBE company.

Senator Fontana asked if there were any questions from the Board. Hearing none, he asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5473

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to enter into an agreement with Plantscape, Inc. in an amount not to exceed \$6,842, with all costs to be reimbursed by Colcom Foundation, for landscaping services at the Tribute to Children Monument and Law Enforcement Officers Memorial; 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.

Senator Fontana introduced the next item, authorization to (a) enter into a three-year service contract with Otis Elevator Company to provide elevator maintenance at North Shore Garage for an amount not to exceed \$39,600 with option to extend for two additional years in an amount not to exceed \$26,400 and (b) amend the existing agreement with Otis Elevator Company for the provision of elevator and escalator maintenance at the David L. Lawrence Convention Center by reducing the contract price to not-to-exceed \$240,000 for three years and providing for an option to extend for two additional years in an amount not to exceed \$164,700.

Mr. Blice explained that the SEA was asked to participate in a request for proposal (RFP) process related to elevator and escalator maintenance and repairs organized by Allegheny County with the goal of reducing maintenance and service costs for the organizations involved. The group includes: Allegheny Airport County Airport Authority, Community College of Allegheny County, Pittsburgh Parking Authority and Allegheny County Housing Authority.

The County issued an RFP for elevator and escalator maintenance services in December 2016. On February 24, 2017, three (3) proposals were received: Otis Elevator Company, KONE Inc. and Schindler Elevator Corporation. The proposals were reviewed by a selection team comprised of representatives from the other organizations and the Authority Staff: Doug Straley and Taylor Blice.

The proposal from Otis Elevator Company provided the lowest monthly fees overall and comparable hourly rates for repairs to the other proposers. Since 2016, the David L. Lawrence Convention Center has used Otis for elevator/escalator maintenance and the building manager, SMG, has been pleased with their service.

The new North Shore Garage contract and the Convention Center amendment effective date will be May 1, 2017.

Senator Fontana asked if there were any questions from the Board. Hearing none, he asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5474

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to (a) enter into a three-year service contract with Otis Elevator Company to provide elevator maintenance at North Shore Garage for an amount not to exceed \$39,600 with option to extend, to be exercised upon staff review, for two additional years in an amount not to exceed \$26,400 and (b) amend the existing agreement with Otis Elevator Company for the provision of elevator and escalator maintenance at the David L. Lawrence Convention Center by reducing the contract price to not-to-exceed \$240,000 for three years and providing for an option to extend, to be exercised upon staff review, for two additional years in an amount not to exceed \$164,700; 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.

Senator Fontana introduced the next item, acceptance of the Sports & Exhibition Authority audit for the years ending December 31, 2015 and December 31, 2016.

Ms. Rosanne Casciato explained that the SEA's audit was completed by MaherDuessel. MaherDuessel issued an unmodified opinion, which means that the Financial Statements present fairly, in all material respects, the financial position of the Authority. There were no significant

deficiencies, findings or questioned costs relating to the audit and therefore no management letter was issued. No federal audit was required for this audit period.

The auditors reviewed the audit with the Senator Fontana and Michael Dunleavy.

Senator Fontana asked if there were any questions from the Board. He confirmed with Ms. Casciato that the audit will be posted on the SEA website.

Sen. Fontana asked if there were any other questions from the Board. Hearing none, he asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5475

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that the Independent Auditor's Report for the year ending December 31, 2015 and December 31, 2016 prepared by MaherDuessel is hereby accepted; 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.

Senator Fontana introduced the next item, authorization to enter into a short term borrowing with PNC/Dollar Bank in an amount not to exceed \$29 million and to assess through the S&P Rating Evaluation Service the possibility of thereafter providing for long term, fixed rate, investment grade, rated borrowing.

Ms. Mary Conturo explained that the SEA currently has outstanding a loan from PNC/Dollar Bank related to the financing of the North Shore Garage and Convention Center Garage. The Stadium Authority similarly has outstanding two loans from PNC/Dollar Bank, one for financing of the West General Robinson Street Garage and one for financing of the new Lot 1 Garage. The loans for both Authorities come due May 1, 2017.

The SEA has been working with its financial advisor PFM regarding the best way to refinance for the benefit of the Authorities. PFM has recommended entering into a short-term, variable rate financing for a one-year period. The parking revenues of both Authorities will be cross-collateralized.

During this period, the Lot1 Garage will have opened and begun to generate an operating history. The authorization will allow the Authority to work with S&P through its "Rating Evaluation Service" to evaluate a long-term financing. This service of S&P allows an issuer to get confidential assessments of a proposed financing and identify potential options that would result in a stronger credit profile. If there is a viable structure possible for the long-term, fixed rate, investment grade financing, the Authority will come back to the Board for authorization in August.

Senator Fontana asked if there were any questions from the Board. Councilman Gilman asked if the short-term period had been specified.

Ms. Conturo referred to the term sheet and said the loan period will be no longer than one year.

Senator Fontana asked if there were any other questions from the Board. Hearing none, he asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5476

RESOLVED by the Board of the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Chairman, Vice-Chairman, Executive Director and other proper officers are authorized

(1) to enter into a short term borrowing, not-to-exceed \$29 million from PNC/Dollar Bank to refinance the Authority's outstanding 2010 PNC/Dollar Bank loan which comes due May 1, 2017, substantially in accordance with the attached term sheet,

(2) to provide for the cross collateralization and other documentation in order that the Stadium Authority and the SEA parking debt is jointly secured by the joint parking system of the Authorities,


(3) to expend up to \$20,000 , jointly with the Stadium Authority, to obtain preliminary assessment through the S&P Rating Evaluation Service of replacing the proposed short term PNC/Dollar Bank borrowing with permanent long term, fixed rate, investment grade, rated debt.

Further, 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, including without limitation, executing loan documents and notes, pledging collateral, executing and recording security documents and paying fees, expenses and costs.

Senator Fontana asked if any additional members of the audience would like to address the Board or if there were comments from the Board Members.

Frederick Winkler, an architect in Pittsburgh, introduced a project idea to the Board, which he previously presented to the Stadium Authority. He presented a picture of the parking lot of the Good Shepherd Lutheran Church, which has the parking lines designed to be crosses pointing toward the church. Mr. Winkler has reached out to Merrill Stabile, of Alco Parking, and Mark Hart, of the Steelers, to suggest that a design be included if Lot 1 is re-topped.

There being no additional comments or business, Senator Fontana asked for a motion to adjourn. Upon a motion duly made, seconded and unanimously carried, the meeting was adjourned at 11:11 A.M.


Mary Conturo
Assistant Secretary