

MINUTES OF THE MEETING
OF THE BOARD OF THE
SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH
AND ALLEGHENY COUNTY
HELD THURSDAY, MAY 13, 2021
REMOTELY VIA ZOOM CONFERENCE
PITTSBURGH, PENNSYLVANIA
COMMENCING AT 10:33 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 on Thursday, May 13, 2021 commencing at 10:33 A.M. E.S.T. Due to the COVID-19 pandemic and guidance from public health experts, the meeting was conducted remotely via the online conferencing platform Zoom.

Members of the Authority

Present: Sen. Wayne Fontana, Chairman
Michael Dunleavy, Vice-Chairman
Councilman Anthony Coghill, Member
Councilman Nicholas Futules, Member
Rev. Glenn Grayson, Member

Also Present: Mary Conturo, Doug Straley, Rosanne Casciato, Bill Williams, Rhea Thomas, Michael Wassil, Lauren Henderson, and Dana Kramer of the Authority; Morgan Hanson, Solicitor; Clarence Curry, CFC-3 Management Services; Tom Ryser, TPR, LLC; Tim Muldoon, Guy DeFazio, Ryan Buries, and Hiedi Strothers of SMG; Jason Kobeda, PSSI Stadium Corporation; Diane Hunt, Regional Asset District; Matthew Wilson, Buchanan Ingersoll and Rooney, PC; Mark Belko, Pittsburgh Post-Gazette; and Bill O’Driscoll and Margaret Krauss of WESA.

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 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. Members of the public were offered participation by email, telephone, or the Zoom chat function. Ms. Lauren Henderson stated that the Authority had not

received any comments via email, no one registered to speak via telephone, and no comments were submitted via the Zoom chat function thus far. Seeing no request from the public to address the Board, Senator Fontana moved to the next item on the agenda, approval of the minutes from the meeting of April 8, 2021. A motion was made, seconded and unanimously approved.

Senator Fontana continued on to the next item on the agenda under the David L. Lawrence Convention Center (“DLCC”), authorization to enter into an agreement with Fallon Electric Company, Inc. in a lump sum amount of \$620,229 for VESDA, Fike, & infrared (“IR”) heat detection devices related to the main exhibit halls fire protection system.

Mr. Ryan Buries explained that in 2019, the Board approved a contract for replacement of the original Siemens fire alarm panels for the more traditional areas of the building; however, because of the unique design of the main exhibit halls (Halls A, B & C), the building has a custom fire protection system for this area.

This custom system uses oscillating water cannons, infrared heat detectors, and Very Early Smoke Detection Alarms (“VESDA”). The system is tied into the main fire alarm system via a series of Fike panels which report alarms to a Cheetah panel, which in turn communicates with the Siemens main panels, and then ultimately the alarm monitoring company and the City of Pittsburgh Fire Department.

The exhibit halls system is original to building construction and is approaching the end of its useful life. Recently, there has been an increase in nuisance alarms and anomalies attributable to the outdated equipment. Nuisance alarms are both an inconvenience to the building, attendees and tenants, and a drain on public resources, specifically the City of Pittsburgh Fire Department.

Pursuant to a January 2021 Authority Board authorization, CJL engineering prepared a design to replace certain components of the exhibit halls fire protection system. The design was

reviewed with and approved by a deputy from the Pittsburgh Fire Marshal's office. In April 2021, a bid was publicly advertised in the Pittsburgh Post-Gazette, New Pittsburgh Courier, and on the Authority website, additionally, the URA assisted the Authority with social media communication by including this bidding opportunity in its Twitter, Facebook, and LinkedIn postings.

A pre-bid meeting was held on April 13, 2021 and was attended by two contractors. Subsequently, four contractors attended site visits. Three bids were received, with Fallon Electric Company, Inc. ("Fallon") submitting the low bid. A scope review was held on May 6, 2021 and it was confirmed that Fallon understood the project and included all of the scope.

The bid package included alternates for the replacement of the IR detection devices in kind; however, the alternate for upgrade of IR detection devices is not recommended, nor are the extensions of applicable warranties. It is recommended that the authorization include Alternate #1a – replacement of the existing IR devices with in kind equipment for the bid amount of \$134,737, which is included in the total amount above. This project will replace the aging components with new equipment that is supported by the manufacturer and is compatible with existing devices to the greatest extent possible. The anticipated completion date for this project is August 2021.

Fallon has 4% MBE participation with Emerald Electric and 1% WBE participation with Hite Company for supplies. The majority of the contract amount, 72% or \$445,665, is for the purchase of fire panel replacement equipment, which must be purchased from an authorized representative. The remaining 28% of the contract amount totals \$174,564. When applied to this amount, the adjusted MBE participation is 14% and the adjusted WBE participation is 2%. In addition, Fallon has committed that at least one third of the crew will be minority workers.

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

Councilman Nicholas Futules asked whether this project had been requested by the DLCC's insurance provider or if it is a specific update that has to be done.

Mr. Buries stated that this is a project related to the September 2019 project for replacement of the Siemens panels that were approaching 20 years old. Anomalies and nuisance alarms were occurring due to the age of the equipment, which prompted the Authority to begin a phased upgrade approach to the issue. This item is the next phase of that process.

Senator Fontana asked if there were any further 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. 5746

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 Fallon Electric Company, Inc. in a lump sum amount of \$620,229 for VESDA, Fike, & infrared ("IR") heat detection devices related to the main exhibit halls fire protection system; 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 continued on to the next item on the agenda, authorization to enter into a change order with Nathan Contracting in an amount up to \$21,045 for carpet removal and crack repair in the Hall A exhibition space and Hall C pre-function area.

Mr. Buries stated that in March 2021, the Authority approved an agreement with Nathan Contracting ("Nathan") for concrete replacement and crack repairs in the main exhibit hall alcoves. The initial contract was procured via a public bid process, and, as part of the original bid, bidders were asked to provide a unit cost per linear foot of crack repair in excess of the base

quantity of 690 linear feet (“lf”). Nathan submitted the low bid and also submitted the low unit price for additional crack repairs of \$9.00/lf in their bid. Throughout the course of the project, additional cracks in need of repair were identified in two areas in close proximity to the base project work, totaling 830 lf in Exhibit Hall A and 350 lf in the Hall C pre-function area.

In addition, Wiss, Janney, Elstner Associates (“WJE”), the structural design engineer for the project, is recommending removal of additional carpet in Concourse C in order to view more of the concrete slab and identify additional cracks that may be currently hidden by the carpet. It is anticipated that an additional, currently unknown, quantity of cracks will be present in this area. An estimate of 445 lf was used to determine a contingency amount of \$4,005, which is included in the total amount, for additional crack repairs in this area. Nathan has offered a cost not-to-exceed \$6,420 to remove the carpet in this area. During a recent, similar project, SMG paid carpet installer, Wright Carpet and Flooring, to remove a test area during investigation. The carpet removal cost was evaluated against that project and is in line with those costs.

The crack repair quantities have been established by WJE, and the costs were determined based on the \$9.00/lf unit price from the original bid. The repairs will be coordinated with the project schedule as appropriate based on work flow, events, and availability of materials. The replacement of the carpet in Hall C prefunction area will be bid separately and will be taken to a future Authority Board Meeting for approval.

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. 5747

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 change order with Nathan Contracting in an amount up to \$21,045 for carpet removal and crack repair in Hall A exhibition space and Hall C pre-function area; 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 continued on to the next item on the agenda, authorization to enter into an agreement with Moodys Water Supply Services, LLC in an amount up to \$19,720 for cleaning and rehabilitation of the underground aquifer well.

Mr. Guy DeFazio stated that the Wisconsin Glacial Flow is an aquifer, sometimes referred to as Pittsburgh's "Fourth River," located approximately 50 feet below the DLCC. The use of the aquifer conserves municipal water. At the DLCC, the aquifer provides water for the cooling towers, the 10th Street water feature, and irrigation of the 3rd and 4th Floor Green Roofs and the 11th Street planted hillside area.

The Authority contracts with Veolia Water North America ("Veolia") for the operation of the aquifer well, waste water treatment plant, and chiller plant at the DLCC, as well as the water steps located in the North Shore Riverfront Park ("NSRFP").

In October 2020, Veolia commissioned Moodys Water Supply Services, LLC ("Moodys"), a groundwater, environmental, and energy services company, to conduct a pumping test on the DLCC's aquifer well. Their report, dated November 19, 2020, showed that the capacity of the well had declined by 65% from the testing that Moodys had previously conducted in 2005. Based on those findings, a full cleaning and rehabilitation is now being recommended.

Veolia solicited three proposals and is recommending that this work be awarded to Moodys due to the highly-specialized nature of these services, their experience, and their knowledge of the DLCC aquifer well. There could be additional costs once Moodys begins the

rehabilitation, with either additional time to repair the well or additional cost for pump repair or replacement, depending on the pump inspection once removed.

Moodys provided a summary of their cost proposal, which included: lump sum amounts for mobilization, demobilization, air compressor, and chemicals, as well as hourly rates for the following: inspection, testing of the pump, and surging of the well, among other items.

Upon approval and execution of the agreement, work will begin in May 2021 with anticipated completion by June 2021.

Senator Fontana asked what exactly Moodys would be cleaning and what the aquifer well water is used for.

Mr. DeFazio explained that the aquifer water is used to provide water for the cooling towers, the 10th Street water feature as well as for all irrigation of the 3rd and 4th Floor Green Roofs. In the first floor loading dock is a well with a pump to access the aquifer that is 50 feet below the ground. The project includes the cleaning of the 50' well that accesses the aquifer and the cleaning of the screen.

Senator Fontana wanted to confirm that there is no drinking water involved.

Mr. Doug Straley confirmed that the aquifer water is not used for drinking.

Senator Fontana asked if there were any further 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. 5748

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 Moodys Water Supply Services, LLC in an amount up to \$19,720 for cleaning and rehabilitation of the underground aquifer well; 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 continued on to the next item on the agenda, authorization to extend the lease term of CobblerWorld, LLC from July 1, 2021 to June 30, 2023 for retail space along Penn Avenue.

Mr. Straley stated that the Authority has held a lease with CobblerWorld, LLC (“CW”) since March 2016 and the company leases about 252 square feet along Penn Avenue. The Authority has been authorizing lease extensions in one-year increments. When this was last authorized by the Board in February 2021, it was suggested a longer lease extension might be beneficial to the tenant and the Authority. Terina Hicks is the owner and chief chef of CW, and is a female and a minority. CW has been growing as a business, recently adding products to a few local Giant Eagle stores. CW requested a two-year lease extension, at the same base rent of \$25/sq. ft. with utilities included, which is recommended by staff.

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. 5749

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to extend the lease term of CobblerWorld, LLC from July 1, 2021 to June 30, 2023 for retail space along Penn Avenue; 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 continued on to the next item on the agenda under Heinz Field, authorization to reimburse PSSI Stadium Corporation in an amount up to \$39,698 for a final change order on the Phase II concrete and sealant repair project, based on additional quantities.

Mr. Bill Williams stated that in 2019, PSSI Stadium Corporation (“PSSI”) began a multi-year phased concrete and sealant repair project. Phase I of this project was approved by the Board in May 2019, with CPS Construction as the contractor. The Phase II scope of work was approved by the Board in April 2020.

Prior to Phase II work, PSSI requested a \$75,000 contingency to address necessary additional repairs during the project. Authority staff did not recommend approving this contingency but instead set up a process that the Facilities Director would review any change orders as they came up in the project. There were approximately 30 items discovered and addressed in the amount of \$40,097. Bid unit prices were used and quantities were verified. One item for \$400 was deemed as not eligible for reimbursement. Therefore, a total reimbursement of \$39,697 is recommended for Board approval. There was 10.6% MBE participation with Waller Corporation on the overall project value.

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. 5750

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to reimburse PSSI Stadium Corporation in an amount up to \$39,698 for a final change order on the Phase II concrete and sealant repair project, based on additional quantities; 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 continued on to the next item on the agenda under the SEA Sports Commission, authorization and adoption of the Act 42 EDTF Restricted Account Programs and Procedures and the By-Laws of the SEA Sports Commission.

Ms. Mary Conturo stated that the Authority was provided an allocation of funds from the Pennsylvania Gaming Economic Development and Tourism Fund (“EDTF”), which is funded from gaming-related and casino operations revenues. The allocation is to be used for the establishment of a sports commission.

At the August 12, 2020 Board meeting, the Authority established the SEA Sports Commission (“SEASC”) as a committee of the SEA for the purpose of assisting the region in maintaining and growing its competitive position in the sports event market. At the same meeting, the initial five (5) members of the SEASC were appointed.

This Board item outlines the next step in the process which is to establish By-Laws and Guidelines describing how the commission will operate and the funding program will work.

The By-Laws for the SEASC provide for the usual corporate municipal structure of an entity. It calls for the following: meetings to be conducted at least four (4) times per year and more often if needed; meetings to be advertised and conducted publicly; and for the members of the SEASC to comply with the Pennsylvania State Ethics Act.

The Guidelines provide the overall structure of the use of the funds. In accordance with the August 12 resolution, the SEASC will first review any expenditure of funds. Only if the SEASC recommends the expenditure will it be brought to the SEA Board for authorization and consideration.

According to the Guidelines, the monies are divided into three purposes: (1) to help fund sporting events by providing financial assistance to organizations that submit applications in order to provide eligible, high-quality sports events that drive economic activity to the region; (2) to support SEA responsibilities to maintain its four (4) major facilities; and (3) to cover administrative costs. The Guidelines lay out factors that will be considered in the review of event funding applications, including: funding need and how the funds would be leveraged against other funding provided, the strategic importance of any event, the quality and the likelihood of success of any event, and diversity, accessibility, and sustainability issues related to the event.

This action is for the SEA Board to adopt and approve the By-Laws and the Guidelines. After that, they will be submitted to the SEASC for adoption. Once the By-laws and Guidelines are in place, SEASC will then develop the application process and start moving forward with the program.

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

Councilman Futules asked if SEASC members had been selected as of yet.

Ms. Conturo confirmed, stating that they had been identified and appointed in August 2020. The five (5) current SEASC members are: State Senator Jay Costa, SEA Board Member Sala Udin, State Senator and SEA Chairman Wayne Fontana, Tracey McCants-Lewis, and Kinsey Casey.

Senator Fontana noted that these are the initial SEASC members and that the size of the board can be expanded in the future. He expects that will occur and also expects other adjustments to be made along the way. He went on to mention that the SEASC is going to drive economic stimulation to the region and that all events are welcome, large or small. He also

mentioned his desire for the SEASC to help bring more events to the DLCC specifically. Senator Fontana further stated the desire for the SEASC to push forward is highlighted even more so after the economic impact of the COVID-19 pandemic on the region. The SEASC is meant to compliment similar organizations, such as the sports teams and Visit Pittsburgh, not replace anyone or anything, but instead to find a niche in bringing more activities to the DLCC and the region.

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

Councilman Anthony Coghill expressed his support for the SEASC, agreeing that not all events need to be large-scale and that any event can make a valuable impact.

Senator Fontana asked if there were any further 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. 5751

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that the Act 42 EDTF Restricted Account Programs and Procedures and the By-Laws of the SEA Sports Commission provided herewith, with appropriate information filled in and completed, are hereby adopted and authorized for use; and further that the proper officers of the SEA are hereby authorized to do all acts as may be necessary and proper to carry out the intent and purpose of this resolution. All resolutions or parts thereof inconsistent with the provisions of this resolution are hereby repealed or rescinded, canceled or annulled so far as the same affects this resolution. This resolution or any part hereof may be amended or revised at any time by a subsequent resolution of the SEA Board.

Senator Fontana continued on to the next item on the agenda under SEA Operating, acceptance of the Authority's audit for the years ending December 31, 2020 and December 31, 2019.

Mr. Michael Wassil explained that the Authority's financial statement audit was completed by MaherDuessel. MaherDuessel issued an unmodified opinion, which means that the Authority's Financial Statements present fairly, in all material respects, the financial position of the Authority. Mr. Wassil continued there were no significant deficiencies, findings or questioned costs relating to the audit and no management letter was issued. A schedule of expenditures of federal awards was also required to be subjected to audit procedures, as more than \$750,000 of federal awards were expended during the year ending December 31, 2020. Lastly, Mr. Wassil indicated MaherDuessel performed procedures on the Authority's Parking System Report that summarizes the Stadium Authority of the City of Pittsburgh ("Stadium Authority") and the Authority's parking system operating results in compliance with the continuing disclosure agreements of the Authority and the Stadium Authority with respect to the SEA's Parking System Revenue Bonds, Series of 2017 ("Parking Bonds").

Representatives MaherDuessel reviewed a draft of the Authority's Audited Financial Statements and the related Independent Auditor's Reports with SEA Chairman Senator Wayne Fontana, and SEA Treasurer Jill Weimer.

Documents depicting a narrative overview of the Authority's financial picture were previously provided to the Board.

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. 5752

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County ("Authority") that its Audit Reports for the years ending December 31, 2020 and December 31, 2019, which were prepared by MaherDuessel, are hereby accepted; and further that the proper officers and

agents of the Authority are authorized to take all actions and execute such documents as are necessary and proper to effectuate the terms of this Resolution.

The next item was public participation, and Senator Fontana asked if anyone in the audience desired to address the Board.

Ms. Henderson stated that the Authority has provided the public with three options for public participation: email, telephone, or Zoom chat function.

No public comments were submitted via email, and there were no registrations to submit a public comment via telephone or the Zoom chat function.

Senator Fontana asked if there were any comments from the Board. 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 11:01 A.M.

 6/10/21
Mary Conturo
Assistant Secretary