

MINUTES OF THE MEETING
OF THE BOARD OF THE
SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH
AND ALLEGHENY COUNTY
HELD THURSDAY, MARCH 11, 2021
REMOTELY VIA ZOOM CONFERENCE
PITTSBURGH, PENNSYLVANIA
COMMENCING AT 10:32 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, March 11, 2021 commencing at 10:32 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
Sala Udin, Secretary
Jill Weimer, Treasurer
Councilman Anthony Coghill, Member
Councilman Nicholas Futules, Member
Rev. Glenn Grayson, Member

Also Present: Mary Conturo, Doug Straley, Rosanne Casciato, Michael Wassil, Bill Williams, Rhea Thomas, Jordann Kline, and Lauren Henderson of the Authority; Morgan Hanson, Solicitor; Clarence Curry, CFC-3 Management Services; Tom Ryser, TPR, LLC; Tim Muldoon, Guy DeFazio, and Ryan Buries, SMG; Gary Desjardins, AEG; Lance Harrell, Hill CDC; Joe Simon, PSSI; Matthew Wilson, Buchanan Ingersoll and Rooney, PC; Mark Belko, Pittsburgh Post-Gazette; Renee DeMichiei-Farrow, Architectural Innovations; and user “AAPOSTOLOU”.

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 a progress report memorandum sent by the Lower Hill Executive Management Committee (“EMC”) was received, distributed to the Board, and would be included in the minutes for this meeting. Ms. 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 February 11, 2021. 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 (“DLCC”), authorization to enter into a lump sum agreement with Nathan Contracting, LP in the amount of \$174,098 for concrete and crack repair work related to alcoves of the main exhibition hall floor and reimbursement to the convention center operating account in the amount of \$1,875 for costs associated with carpet removal required for the concrete slab investigation.

Mr. Ryan Buries stated that in April 2019, Wiss, Janney, Elstner Associates, Inc. (“WJE”) issued a report related to various composite deck areas at the DLCC. Two areas identified to be in need of repair or continued evaluation were the 2nd floor alcoves to the main exhibition halls and the pre-function area to the north of the exhibition halls. The 2nd floor alcoves are the primary access points for attendees entering the main exhibition halls (Exhibit Halls A, B & C on the 2nd floor) and were the first focus. The concrete in the alcoves is

exhibiting signs of wear and degradation and needs to be repaired. Repairing the concrete in the alcoves at this time will have minimal impact on event operations.

On February 12, 2021 a public bid was advertised in the Pittsburgh Post-Gazette, New Pittsburgh Courier, on the SEA website, and the URA assisted the Authority with social media communication by including this bidding opportunity in its Twitter, Facebook, and LinkedIn postings. On February 15, 2021, a non-mandatory pre-bid meeting was held with six contractors attending. Due to the complex nature of the project work areas, contractors were required to attend a site visit prior to submitting a bid. Nine contractors participated in the process, and on February 26, 2021, seven bids were received. Nathan Contracting submitted the low base bid of \$167,888 and also the low bid for the alternate of crack repairs for \$6,210. A scope review was conducted with Nathan Contracting by SMG and WJE, and it is recommended to award the project to Nathan Contracting for the base bid and the alternate for a total of \$174,098.

This project will begin upon approval and execution of the agreement. It is expected to take approximately three months to complete the work. The life of the repairs is greater than 15 years and includes a warranty of 1 year.

During the investigation phase of the project, \$1,875 was paid to Wright Commercial Flooring from the convention center operating budget. Wright Commercial Flooring removed a section of the Hall C pre-function carpet to allow for further investigation. The convention center operating account will be reimbursed this amount.

The project includes 24% MBE participation using Penn-Hydro, Inc. for demolition work and 1.7% WBE participation using Construction Tool Services for small tool supply.

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. 5740

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 lump sum agreement with Nathan Contracting, LP in the amount of \$174,098 for concrete and crack repair work related to alcoves of the main exhibition hall floor and reimbursement to the convention center operating account in the amount of \$1,875 for costs associated with carpet removal required for the concrete slab investigation; 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 reimburse PSSI Stadium Corporation in a not-to-exceed amount of \$9,577,188 for the replacement of seventeen exterior escalators over the next three years.

Mr. Bill Williams stated that in March 2019 PSSI notified the Authority that an assessment was performed by BOCA Group (their escalator consultant) and concluded that all seventeen exterior escalators need to be replaced. Over the past twenty years, these escalators have had increasing repair needs and are at the end of their useful life. Some of the issues associated with the escalators include: severe rust on truss supports, severe rust on turnaround and step tracks, severe rust on motors, and broken/damaged hand rails.

VTX (Authority's escalator consultant) performed multiple site visits to review and inspect the Heinz Field escalators and reviewed the BOCA report. VTX reached the same conclusion as BOCA Group that all escalators need to be replaced over the next few years.

These replacements have also been documented in the past few years in the facility condition assessment report for Heinz Field.

The scope of the work is removing the existing 17 escalators and replacing them with outdoor, heavy-duty escalators.

PSSI issued the bid package on December 11, 2020. The bid package included, as an alternate, reusing and refurbishing the existing trusses. Three bids were received. Scope reviews were conducted, and best and final offers were received from all three bidders. Kone only bid the truss modernization, Otis only bid the complete new escalators and trusses, and Schindler provided pricing for both options. PSSI and BOCA do not recommend using Kone as they were not able to meet the project schedule, they don't have local service technicians, and the truss modernization has a shorter useful life than the new escalators and trusses. Otis provided the lowest bid on new escalators which include new steel trusses. BOCA and PSSI recommend Otis due to their price, quality of equipment, it being a local company with local service technicians, and their ability to meet the required schedule. VTX concurs with BOCA's recommendation of awarding the contract to Otis.

In addition to the Otis contract, PSSI is requesting reimbursement for two consultants: BOCA Group and BNI Engineers. BOCA is providing escalator specifications, bid development, and construction and installation administrative services, while BNI Engineers (Structural Engineer of Record) is providing structural shop drawings review. The not-to-exceed amount includes reimbursement for these consultants.

The warranty for the project is 1 year for labor and materials. The work is anticipated to be completed by June 2023, with seven escalators installed in 2022 and ten escalators installed in

2023. There is 3% MBE participation with Emerald Electric for electrical work, ID Ritter for painting, Franco for masonry, and Reed Building Supply and Greenwood McDonald for material purchases (at the SEA policy's discounted rate). The reimbursement will be funded by the Heinz Field Capital Reserve Fund and other multi-facility funds of the Authority.

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

Mr. Sala Udin asked if there is any treatment available that is able to be provided with installation that would extend the useful life of the escalators, such as a treatment that may be used on the mechanical parts of the escalators in order to potentially prevent rust, noting that rust seems to be the greatest deterioration of the escalators.

Mr. Williams explained that the Authority could review with PSSI, adding that something of that nature would be on Otis' list of ongoing maintenance items. He noted that the escalators are stainless, which should aid with slowing the speed of their deterioration.

Senator Fontana asked whether Otis will perform scheduled maintenance on the escalators or if they would only perform maintenance when needed.

Mr. Williams stated that Otis will perform scheduled maintenance on the escalators.

Senator Fontana then stated that, the Board would like to know what work Otis will perform as regular maintenance

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. 5741

RESOLVED by the Board of 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 a not-to-exceed amount of \$9,577,188 for the replacement of seventeen exterior escalators over the next three years; 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 reimburse the Pittsburgh Penguins in an amount up to \$119,650 from the PPG Paints Arena Capital Reserve Fund for the purchase of six X-Ray security machines for entrance bag screening.

Mr. Williams stated that, as outlined in the Sublease between the Authority and the Penguins, a reimbursement is provided for certain modifications or capital projects required to comply with NHL Rules and Regulations. The Penguins requested \$137,450 in reimbursement from the PPG Paints Arena capital reserve fund to purchase six X-Ray machines for arena security. An NHL Guest Experience Protocol mandates that bags be scanned by X-Ray machines upon entrance to the facility. This scanning requirement includes fans, players, building staff, security, and contractors entering the building. Six locations require X-Ray machines: loading dock entrance, media entrance, Peoples entrance, Highmark entrance, PNC Bank entrance, and administration entrance.

The NHL solicited three bids for all teams in the league to utilize: Voti Detection (“Voti”) at \$137,450, Rapiscan Systems (“Rapiscan”) at \$119,650, and Smiths at \$141,587. The Penguins’ first choice is the Voti machine, due to its ability to provide 3-D imaging. However, the Rapiscan machine provides acceptable 2-D images. Both machines perform the same basic function of

scanning packages and are approved for use by the NHL. Therefore, Authority staff is recommending a reimbursement amount up to \$119,650.

The manufacturer will provide and install the equipment. There is a twelve week lead time and the warranty is two years. There is no MBE/WBE participation for this project. The project will be funded from the PPG Paints Arena capital reserve accounts.

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. 5742

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to reimburse the Pittsburgh Penguins in an amount up to \$119,650 from the PPG Paints Arena Capital Reserve Fund for the purchase of six X-Ray security machines for entrance bag screening; 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.

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 the Zoom chat function.

No public comments were submitted via email (other than the previously mentioned memo from the EMC) and there were no registrations to submit public comment via telephone, however, there was one (1) request received via the Zoom chat.

Mr. Lance Harrell sent a message to Ms. Henderson via the Zoom chat indicating that he would like to speak regarding the Lower Hill.

Mr. Harrell stated that he would like to bring the census tract change in the Lower Hill to the Board's attention. The organizations within the Hill District were not made aware of the request to change the census track and were informed of it via a report from the Pittsburgh Business Times. Since then, the EMC, Hill CDC, and other organizations have been trying to estimate the financial impact on both the middle and upper hill. Through basic research, the Hill CDC has found that when the census tract is changed and the Lower Hill redevelopment project takes place, low income housing tax credits and other programs could potentially be in jeopardy and may be taken away, due to the fact that the redevelopment will increase those numbers. The financial impact to the Hill District and its residents is unknown. It is troubling that the Hill CDC was not notified and therefore, was not able to prepare for the outcome, nor was any research conducted to determine long term effects.

Ms. Conturo stated that the Authority was not aware of the request for the change, nor the change itself, and no request came from the Authority on this matter. The Authority is attempting to assess what the impacts will be.

Reverend Glenn Grayson stated that he lives in the Hill community and was not informed of the census tract change, adding that it felt like a "sideswipe to all of us". Reverend Grayson further added that it is necessary to know the implications before these things happen, noting "this seems like when something benefits a certain core of people, it's about them and no one else. It feels like many times a lot of entities use the stress of the Hill for gain versus making a difference and it's very troubling. I don't know how we stop it, but I would like to learn more before we take a role in voting for or supporting it.

Senator Fontana stated that he believes the Authority needs to ask why it was not notified of the census tract change, noting that we should be notified moving forward. He went on to ask Mr. Hanson, the SEA's solicitor, for any suggestions on how to do that.

Mr. Hanson stated that the Authority may make a request to those involved in this determination, namely the City of Pittsburgh and Allegheny County, to be included in the future. He mentioned that this situation was a surprise to "all of us", and he will work on this with the Authority.

Mr. Udin stated that he is very disturbed by this outcome and would like to know why some people were informed while others were excluded from this information. Further, he would like to know whether either the Congressman and/or the Senator representing the Hill District were aware of the census tract change. Additionally, he stated, "We need to have transparency. Even when it's inconvenient, we have to have full transparency, and this kind of behind-the-back double-dealing does nothing to help our interagency cooperation. I agree completely with Reverend Grayson and the Chairman, and we need to get to the bottom of this. Mayor Peduto has to answer why this was done. Was this a deliberate attempt to exclude us or something else? We can't allow this to go on without a response from us".


Councilman Anthony Coghill inquired if PAR had an appointed government relations person who works with the Authority.

Senator Fontana explained that he did not believe they have a person serving in such a role, noting that, from his knowledge, the typical point of contact is either Kevin Acklin or David Morehouse, both of PAR. He went on to note that Kevin Acklin, having worked for the City of Pittsburgh, is most likely the most knowledgeable in regard to this project and the connection

between the URA, SEA, and the City of Pittsburgh and is the contact person with whom the Authority should discuss this matter with.

Councilman Coghill stated that he will follow the wishes of both Reverend Grayson and Mr. Udin in regard to this matter.

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 10:54 A.M.

 4/8/21
Mary Conturo
Assistant Secretary

LOWER HILL EXECUTIVE MANAGEMENT COMMITTEE

MEMO

Date: March 11th, 2021

To: Board, in care of Executive Director Mary Conturo

From: Lower Hill Executive Management Committee (EMC)

Subject: February Progress Report

During these challenging times of COVID, the EMC board is working diligently with all Lower Hill stakeholders and the community to achieve the goals of the CCIP. At this time, unfortunately, best efforts have not been demonstrated. The lack of transparency is an ongoing issue that is impacting the project's progress. Here are some of the Lower Hill project and EMC's challenges.

Lower Hill Census Tract

In 2019, the Pittsburgh Penguins, Mayor Bill Peduto, and Gov. Tom Wolf administration lobbied the Trump administration to change census tract 201 (Civic Arena) to Crawford-Roberts census tract 305. The EMC board was made aware of the census tract change from an article published in February by the Pittsburgh Business Times. During the EMC bi-weekly board meetings, no one from PAR, SEA, URA or the Mayor's Office mentioned trying to change the census tract. However, all acknowledged advocating to have the Lower Hill put in the Opportunity Zone. Which, as I understand it is what lead to the change in the census tract. The lack of transparency is an ongoing issue. The EMC requested the URA to research what impact the census tract change will have on the Central and Upper Hill District. Low Income Housing Tax Credits and other subsidized programs may be at risk. What long-term impact will the census tract change have on the Hill District?

WorkForce Center

PAR committed to funding a Workforce Center to support Hill District residents for Lower Hill employment opportunities. In the fall of 2020, The Hill House was identified as the Workforce Center location. Due to funding delays, talks have shifted to possibly moving the Workforce Center from the Hill House to Ebenezer Baptist Church / CVS Workforce Center. BPG is planning to break ground on Block G1 sometime in the third quarter of 2021. A Workforce Center site and funding still need to be committed, and at this point, it appears construction will begin before the center is operational.

The EMC is committed to assuring the implementation of the CCIP and full disclosure to the Urban Redevelopment Authority staff and board of directors such that thoughtful and informed decisions that support our end goal can be made.

Please direct all inquiries to Lance Harrell, CCIP Project Administrator, for the Lower Hill EMC at lharrell@hilldistrict.org or by phone at 412-589-5154