

MINUTES OF THE MEETING
OF THE BOARD OF THE
SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH
AND ALLEGHENY COUNTY
HELD THURSDAY, OCTOBER 12, 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 the DLCC Executive Board Room at the David L. Lawrence Convention Center in Pittsburgh, PA 15222, on Thursday, October 12, 2017 commencing at 10:35 A.M. E.S.T.

Members of the Authority

Present: Sen. Wayne Fontana, Chairman
Sala Udin, Secretary
Reverend John Welch, Member
Jill Weimer, Member (via telephone)
Councilman James Ellenbogen, Member (via telephone)

Also Present: Mary Conturo, Doug Straley, Rosanne Casciato, Taylor Blice, Rifat Qureshi, Simona Loberant, Maggie Pike, Tyler Bornschlegel and Rachel Cohen of the Authority; Clarence Curry of CF3 Management; Morgan Hanson, Solicitor; Tim Muldoon, Conor McGarvey, Ryan Buries and Linda Mihalic of SMG; George Meehan of Levy; Antonio Misiti of PNC Bank; J.J. McGraw of the Pittsburgh Pirates; 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 advised that a quorum was present. Mr. Hanson confirmed that Ms. Jill Weimer and Councilman James Ellenbogen were attending via telephone, and they could hear the other Board Members and the Board Members could hear them.

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 September 14, 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 Mariani & Richards, Inc. in a lump sum amount of \$12,300 for service corridor traffic coating repairs, and reimbursement to the convention center operations budget of up to \$4,360 for labor.

Ms. Linda Mihalic explained that the protective traffic coating on the concrete service corridor flooring is original to construction, with the exception of traffic coating that was replaced in the kitchen corridor in 2013. The condition of the traffic coating in the remaining service corridor areas was evaluated by SMG's consultant, Barber and Hoffman. They determined that the majority of the traffic coating is still in serviceable condition, but spot repairs are needed in several areas in the 3rd floor service corridors. The repairs are needed for continued protection of the concrete subfloor, and to eliminate tripping hazards. Barber and Hoffman prepared drawings and specifications for traffic coating repair. The bid form also included unit pricing for unforeseen repairs.

The bid package was advertised in the Post-Gazette and the New Pittsburgh Courier, and a notice was posted on the SEA website. Six firms attended the pre-bid meeting. Four bids were submitted. Mariani & Richards provided the low bid. Their unit pricing for additional work, if needed, was the lowest of all bidders as well.

The work will commence in October of 2017 and is expected to be completed by the end of November. The contract requires a five-year warranty on traffic coating and joint sealants, and a two-year warranty on surface concrete repairs.

This resolution also provides up to \$4,360 of reimbursement to the operating budget for labor for disconnecting and relocating ice machines, furniture and equipment for the project. The Mariani & Richards contract includes 5% MBE participation through Low Country Solutions.

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. 5490

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 Mariani & Richards, Inc. in a lump sum amount of \$12,300 for service corridor traffic coating repairs, and reimbursement to the convention center operations budget of up to \$4,360 for labor; 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.

Senator Fontana introduced the next item, authorization to enter into a contract with Pittsburgh Electric Motor Repair, Inc. in a lump sum amount of \$11,600 to rebuild condenser water pump #2 and chilled water pump #4 at the David L. Lawrence Convention Center.

Ms. Mihalic explained that the chilled water plant utilizes five condenser water pumps and four chilled water pumps. All are original to construction. Condenser water pump #5 was rebuilt in 2016 and chilled water pump #3 was rebuilt earlier in 2017. The remaining pumps are nearing the end of their useful life and are recommended to be rebuilt, as they indicate excessive wear.

Veolia obtained quotes from four vendors to rebuild the pumps. Pittsburgh Electric Motor Repair (PEMR) provided the lowest quote. PEMR will provide a one-year warranty on parts and labor. This work will be completed in November of 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. 5491

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 contract with Pittsburgh Electric Motor Repair, Inc. in a lump sum amount of \$11,600 to rebuild condenser water pump #2 and chilled water pump #4 at the David L. Lawrence Convention Center; 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.

Senator Fontana introduced the next item, authorization to enter into an agreement with Equipco Material Handling Solutions in an amount of \$33,528 for new electric forklift with charging station, including the trade-in of a 2004 Hyster 80 forklift.

Mr. Conor McGarvey explained that in 2003, during the initial outfitting of the David L. Lawrence Convention Center, two forklifts were purchased to move equipment throughout the building. Those forklifts are in need of repair more frequently, and are showing accelerated signs of wear and tear.

A project to replace one of those forklifts with an electric powered forklift was publicly bid. It was advertised on the SEA website, in the Pittsburgh Post-Gazette, and in the New Pittsburgh Courier on September 12th. Bids were due on September 26th. Three companies submitted qualifying bids, with Equipco and the Hyster J45XN Electric forklift being the low bid. The Hyster forklift meets or exceeds the DLCC's sustainability policies including having a decibel rating below 70 decibels at the operator's ear, being battery powered, and having no onsite emissions.

The DLCC is choosing Alternate #3 for a 60-month warranty on the forklift's powertrain and Alternate #5 to trade in the DLCC Hyster 80 forklift at a value of \$7,800. Delivery time is expected approximately 12-14 weeks after the purchase order has been executed.

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. 5492

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 Equipco Material Handling Solutions in an amount of \$33,528 for the purchase of a new electric forklift with charging station, including the trade-in of a 2004 Hyster 80 forklift; 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.

Senator Fontana introduced the next item, authorization for the purchase of a 2017 Ford F-250 utility pickup truck for the amount of \$30,251.

Mr. McGarvey explained that in 2003, the DLCC purchased a new Ford F-250 pickup truck to plow parking lots, transport materials around the outside of the building for maintenance, and to make routine pick-ups of equipment and materials from local vendors. Because of the truck's age, repairs are becoming more frequent and extensive.

A project to replace the truck with a new three-quarter-ton truck was publicly bid. It was advertised on the SEA website, in the Pittsburgh Post-Gazette, and in the New Pittsburgh Courier on September 12th. Bids were due on September 26th. SMG also reached out to four truck dealers and provided the bid package. Despite follow up with those dealers, no bids were submitted.

The SEA and SMG coordinated with Allegheny County's procurement office to utilize their buying power for the project. The County's procurement office was helpful by connecting

the DLCC with three dealerships who could provide COSTARS pricing for three different manufacturers. The dealers provided written quotes for a total of six different pickup trucks, all of which meet the initial bid specification.

The low bid for the truck was Kenny Ross for a 2017 Ford F-250. The truck will be delivered 3-5 weeks after the purchase order has been executed, and has a three-year bumper-to-bumper warranty, and a five-year powertrain warranty. The purchase of the truck includes a snow plow prep package, snow plow, and bed liner. SMG expects the truck to last ten years. SMG will be auctioning off the 2003 Ford F-250 utilizing Govdeals.com.

Senator Fontana asked if the addition of the snow plow to the truck would affect the warranty on the truck. Mr. McGarvey confirmed that it does not change the warranty.

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. 5493

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to expend \$30,251 to purchase a 2017 Ford F-250 utility pickup truck from Kenny Ross; 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 Golon, Inc. in a lump sum amount of \$185,000 for concession stand A-2 and C renovations.

Mr. Ryan Buries explained that there are four concession stands in Halls A, B, and C, and two more in Halls D and E for a total of six concession stands. However, A-1 is not currently used as a concession stand. In July 2015, the Board authorized a series of contracts to complete

work on the renovation of Concession Stand B, including the purchase of new cooking equipment, installation of digital menu boards in all five concession stands, installation of a new point of sale and inventory management system for use in all concession stands, and remote kiosks throughout the facility. Additionally, at that time, in anticipation of renovation of the remaining stands and to gain efficiencies, some of the materials were purchased in bulk to be used in future renovations.

ED3 Consultants, through the open-ended design contract, created a project manual based on the original design concept for Stand B. This approach will ensure aesthetic consistency.

This request, if approved, will allow for the renovation of Stands A-2 & C to match the aesthetic of the previously renovated Stand B.

The bid package was advertised in the New Pittsburgh Courier, the Pittsburgh Post-Gazette, and on the SEA website. A pre-bid meeting was held on September 20th with three contractors in attendance. Five bids were received on October 3rd, with Golon, Inc. being the low bid at \$185,000. Golon is a veteran-owned small business and has proposed to use 16% MBE and 4% WBE participation on this contract.

Senator Fontana asked if there were any questions from the Board. Mr. Sala Udin asked if the proposed renovations were purely aesthetic or functional. Mr. Buries explained they are both aesthetic and functional. The renovations were reviewed with Levy to create more functional workspace, where everything needed in order to complete a sale is within reach. Mr. Buries added that there was also a small return on investment in the form of increased sales from the aesthetic improvement that the convention center witnessed as a result of the renovation of Stand B.

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. 5494

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 Golon, Inc. in a lump sum amount of \$185,000 for concession stand A-2 and C renovations; 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 three-year contract (\$476,822 for 2018, \$490,877 for 2019 and \$505,348 for 2020) with Veolia Water North America – Northeast, LLC for the operation of the chilled water plant, wastewater treatment plant, and North Shore Water Steps, with the option for two one-year extensions (\$520,248 for 2021 and \$535,590 for 2022).

Mr. Buries explained that in December 2013, the Board authorized a contract with Veolia Water North America to be the operator of the convention center's chilled water plant, wastewater plant, and the North Shore Water Steps. The Board authorized the 2017 option year last December, which extended the contract to December 31, 2017. Instead of exercising the second option year, the SEA and SMG recommended to seek proposals.

The scope of the work includes operation of the chilled water plant, a water well that supports the plant, the wastewater treatment plant, as well as the water steps that are located in the North Shore Riverfront Park.

In June 2017, the Authority issued a request for proposals (RFP) for the operation of both plants and the water steps. The RFP was advertised in the Pittsburgh Post-Gazette and the New

Pittsburgh Courier, as well as on the SEA website. The Authority reached out to the Green Building Alliance, and they advertised the RFP as well. A non-mandatory pre-proposal meeting was held on June 21, 2017, with four firms in attendance.

On August 25, 2017, the Authority received proposals from Veolia Water North America, NORESKO, and NRG Energy, Inc. An evaluation committee made up of SEA and SMG staff reviewed the proposals. The committee recommended inviting Veolia for a scope review on September 6, 2017. The committee unanimously recommends Veolia for the following key reasons: Veolia provided the lowest cost proposal with fees; the expertise of the staff that Veolia proposes to use, who has been working on the convention center's chilled water plant and facilities for several years; the expertise of Veolia in both chilled water and wastewater plants, with a resource base that is responsible for 187 municipal and commercial wastewater plant operations.

The pricing includes a base management fee and a "Limit Account" arrangement for repair and maintenance of the plants. The Limit Account will cover all repair and maintenance items and will be billed to the Authority on a monthly basis as a separate line item on the invoice.

Veolia is committed to meeting the Authority's MBE/WBE goals. They conducted an extensive outreach effort to procure their subcontractor team, which includes multiple MBE and WBE firms. This plan was reviewed and approved by Clarence Curry, the Authority's Senior Diversity Coordinator.

Senator Fontana asked if there were any questions from the Board. Reverend John Welch asked if the price escalations from year-to-year are typical and what factors into those escalations. Mr. Buries explained that the price escalations are typically due to labor increases.

He added that the two on-site personnel are Local 449 Steamfitters who collectively bargained wages with Veolia.

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. 5495

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 contract (\$476,822 for 2018, \$490,877 for 2019 and \$505,348 for 2020) with Veolia Water North America – Northeast, LLC for the operation of the chilled water plant, wastewater treatment plant, and North Shore Water Steps, and to exercise options for two one-year extensions (\$520,248 for 2021 and \$535,590 for 2022); 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 purchase a battery powered walk behind floor scrubber from HK Equipment Company for \$7,519.

Mr. George Meehan explained that Levy Restaurants is requesting the purchase of a floor scrubber to replace the current one that is 14 years old and no longer working properly with no applicable warranty. The floor scrubber plays a vital role in Levy's daily cleaning and sanitation process.

Levy solicited three quotes, with HK Equipment being the low responsible bidder. The equipment meets the LEED sustainability criteria as reviewed by the SEA Sustainability Coordinator. The unit comes with a thirty-month warranty on parts and 12 months on labor.

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. 5496

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to purchase a Factory Cat battery powered walk behind floor scrubber from HK Equipment Company for \$7,519; 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 SEA Operating, authorization to enter into an agreement with NRG Energy Center Pittsburgh LLC for a no-build zone on 928 square feet of property located on the PPG Paints Arena service yard in exchange for a payment to the Authority in the amount of \$34,800.

Mr. Doug Straley explained that NRG is building a district energy plant on a parcel behind the PPG Paints Arena service yard. The parcel was a surface parking lot, but it was sold to NRG by the Urban Redevelopment Authority (URA) in 2016. The district energy plant when completed will provide service to UPMC Mercy Hospital and Chatham Center, as well as the 28-acre development that is to the north of PPG Paints Arena.

At the City of Pittsburgh Building Permit Appeal Hearing, the City required that the louvers on the northwest corner of the plant have at least a two-hour fire rating. The louvers are needed for ventilation and they are not currently fire-rated. NRG advised the Authority that the process to get these louvers fire-rated is a long and expensive process. The alternative that the City required was that NRG enter into an agreement with the adjacent property owner to not build in an area of approximately 900 square feet in front of those louvers.

NRG approached the SEA and the Pittsburgh Penguins as the property owner and the tenant of the property, respectively. SEA staff and the Pittsburgh Penguins would agree to such no-build zone as long as it would not affect or impact the arena events or the service yard use,

which includes parking, loading or unloading of trucks, and temporary storage. The term of this agreement would be for 29.5 years or until the date on which the no-build zone is no longer needed. The fee for the agreement would be \$34,800, based on a value of \$37.50 per square foot. The property was sold originally to NRG by the URA for \$25 per square foot, and the Authority's real estate advisor agreed that it was a fair price.

Senator Fontana asked if NRG owns the property. Mr. Straley explained that NRG would not own the property, but rather the Authority is agreeing not to build a structure on the Authority's property for that period.

Senator Fontana asked if there were any questions from the Board. Revered Welch asked who supplies the energy to PPG Paints Arena. Mr. Straley explained that PPG Paints Arena has its own plant in the building, but has discussed using the redundancy from the NRG plant if needed.

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. 5497

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 NRG Energy Center Pittsburgh LLC for a no-build zone on 928 square feet of property located on the PPG Paints Arena service yard in exchange for a payment to the Authority in the amount of \$34,800; 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 issue Parking Revenue Bonds in an aggregate principal amount not to exceed \$55,000,000 in order to retire the SEA and Stadium Authority 2017 Bank Notes.

Ms. Mary Conturo explained that at the April meeting, the Board authorized a one-year financing of parking facilities for the SEA, and at the same time the Stadium Authority authorized a one-year financing for their parking facilities through a bank loan with variable rate. At the time, the Authority expressed an intention to refinance with long term, fixed rate, investment-grade bonds if possible.

The initial undertaking was to approach Standard & Poor's (S&P) about whether or not the financing could be rated. Upon doing so, S&P advises that the Authority achieves an A minus-rating, which is investment grade. This Resolution would authorize a joint, fixed rate, long-term financing, secured by net revenues of certain parking facilities of the SEA and of the Stadium Authority. The specific parking facilities for which the net revenues are pledged are everything owned by both authorities, except the convention center garage, which is used by this Authority for other operating expenses, and the PPG Paints Arena garage, which is leased to the Penguins, and the surface spaces at the 28-acre development site, which is also covered by an agreement with the Penguins right now. Also not included in the pledge is Lot 4 on the North Shore, which is owned by the Stadium Authority, which is where the Authority expects the next development to happen.

The timing on the financing allows for the official statement to be completed and ready to be used for marketing at the end of this month or the beginning of next month, and because of that time schedule, with the marketing potentially occurring between Board meetings, the resolution provides for a pricing committee to be set up, which will be a joint committee of the

SEA and the Stadium Authority. This Resolution would designate the chairman and vice chairman of this Authority for the pricing committee, and in their absence or unavailability, the secretary or treasurer, and the same officers of the Stadium Authority. At the time of the marketing of the bonds, the pricing committee would convene and receive advice from PFM, the Authority's financial advisor, about the state of the market and the timing of the market, and what their recommendation is regarding pricing the bonds.

The parameters for the bonds that are set by the Resolution are that the principal amount will not exceed \$55,000,000, the final maturity will not be later than December of 2042, which is 25 years, and the average bond yield will not exceed five percent. Five percent is a maximum, and the Authority is hoping to attain a rate better than that.

The documents will include three things that were important in order to get the rating. One was a rate covenant, which means the both authorities covenant to charge rates at these parking facilities, sufficient every year to pay the operating expenses of those facilities and to produce net revenues equal to 150% of the debt service on the bonds. There is also a covenant that states if properties are taken out of the pledge system or sold or disposed of for any reason, that the same 150% coverage test is met. And there is a provision that says competing facilities will not be built, unless they are also made part of the system, or unless they are not on the North Shore, or if the 150% coverage is still met regardless.

The financing team designates PFM as the lead underwriter. They have been working with the Authority since last April in getting this structured and rated. With them will be a minority underwriting firm, which is Siebert Cisneros Shank & Co., LLC, and the bond council is Cohen & Grigsby, P.C. With Cohen & Grigsby, P.C. will be a minority bond council firm,

Hardwick Law Firm, LLC. Eckert Seamans will be the disclosure council. The underwriters' council for PNC is PNC's choice; Dickie McCamey is representing the underwriters.

What this will do for the Authority is repay the bank notes, and it will stabilize the Authority's financing with respect to the parking garages. It will keep the Authority from having to do a new bank refinancing every five to seven years, and it will lock in the current, favorable interest rates.

Senator Fontana asked if there were any questions from the Board. Mr. Udin asked where the minority firms are located. Ms. Conturo explained that the co-bond council firm's main office is in Kansas City, but this month they are opening a Pittsburgh office. The Authority would like to see the Pittsburgh office established. Mr. Udin asked if their inclusion in the bond counsel is contingent on them following through with the addition of a Pittsburgh office. Ms. Conturo stated that they have already signed the lease on the Pittsburgh location. Ms. Conturo added that the banking firm is from New York. The Authority did not find any local minority banking firms, but the selected firm has done significant work in Philadelphia and for the Commonwealth, so the Authority feels that this firm might consider opening an office in Pennsylvania eventually, but they are not local right now. Senator Fontana added that Siebert does a lot of work with the Commonwealth, and that he encouraged Ms. Conturo to look into that firm, and feels that the firm can be encouraged to become even more active in this area, but they are already very active in other areas.

Senator Fontana asked if there were any further questions from the Board. Reverend Welch asked for clarity on the 150% requirement to meet the debt service with the current allocation of parking, and confirmation that it would be in the Authority's best interest to hold on

to that, otherwise the burden is going to fall on smaller parking parcels. Ms. Conturo confirmed that is correct.

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. 5498

WHEREAS, the Sports & Exhibition Authority of Pittsburgh and Allegheny County (the "**Authority**"), a body politic and corporate and exercising public powers of the Commonwealth of Pennsylvania (the "**Commonwealth**") as an agency thereof, is organized under the Pennsylvania Sports and Exhibition Authority Law (16 P.S. §5501-A et. seq.), as amended (the "**Act**"), for the purpose of acquiring, holding, constructing, improving, maintaining and operating, owning and leasing, either in the capacity of lessor or lessee, public auditoriums and all facilities necessary or incident thereto, including provisions for adequate off-street parking; and

WHEREAS, the Authority and the Stadium Authority of the City of Pittsburgh (the "**Stadium Authority**") each presently own and/ or operate parking facilities located in the City of Pittsburgh, Allegheny County, Pennsylvania (the "**City**"); and

WHEREAS, the Authority previously issued its \$25,616,000 Term Loan Notes, which are due on May 1, 2018 and are currently outstanding in the principal amount of \$21,005,120 (the "**2017 SEA Notes**"), in favor of Dollar Bank Federal Savings Bank ("**Dollar**") and PNC Bank, National Association ("**PNC**") pursuant to the terms of a Credit Agreement dated April 27, 2017 and effective as of May 1, 2017 among the Authority, Dollar and PNC; and

WHEREAS, the Stadium Authority previously issued its \$26,614,000 Term Loan Notes, which are due on May 1, 2018 and are currently outstanding in the principal amount of \$26,614,000 (the "**2017 SA Notes**" and, together with the 2017 SEA Notes, the "**Prior Notes**"), in favor of Dollar and PNC pursuant to the terms of a Credit Agreement dated April 27, 2017 and effective as of May 1, 2017 among the Stadium Authority, Dollar and PNC; and

WHEREAS, the Authority and the Stadium Authority each agree that combining certain parking facilities of the SEA (i.e., North Shore Garage, the Lot at 10th & Penn (East Lot and West Lot), the P1/Green 21 (Reedsdale Street) Lot and the P2/Green 22 & P3/Green 23 (Ridge Avenue) Lots) (the "**SEA Parking Facilities**") and certain parking facilities of the Stadium Authority (i.e., West General Robinson Street Garage, the Gold 1 Garage and Lots 1, 2, 5 and 7A-J) (the "**Stadium Authority Parking Facilities**") into one parking system (the "**Parking System**") will enable them to achieve more advantageous financial provisions than if each authority undertook separate financings; and

WHEREAS, the Board of the Stadium Authority previously adopted a resolution on March 28, 2017 and the Board of the Authority previously adopted a resolution on April 13, 2017 which expressed the objective of refinancing the Prior Notes with permanent, long term, fixed rate, investment grade debt; and

WHEREAS, the Authority and the Stadium Authority have determined to undertake the issuance of permanent, long term, fixed rate, investment grade debt through the issuance by the Authority of one or more series of its federally taxable and/or tax-exempt bonds or notes to be designated as the "Sports & Exhibition Authority of Pittsburgh and Allegheny County Parking System Revenue Bonds, Series of 2017" (or similar designation) (the "**Bonds**") to be issued under a Trust Indenture (the "**Indenture**") between the Authority and ZB, National Association (Zions Bank) (the "**Trustee**"); and

WHEREAS, the Bonds are being issued to finance all or a portion of a project consisting of: (a) the refinancing of the Prior Notes; (b) the financing any miscellaneous costs related to the establishment of the Parking System; (c) the funding of any necessary reserves and (d) the payment of the cost of issuing and, if deemed to be in the financial interest of the Authority and the Stadium Authority, insuring the Bonds (collectively, the "**Project**"); and

WHEREAS, to further secure the Bonds, the Stadium Authority and the Trustee intend to enter into a Joinder Agreement (the "**Joinder Agreement**"), which the Authority will acknowledge, pursuant to which the Stadium Authority agrees to abide by all of the obligations and duties imposed upon the Stadium Authority by the Indenture as though it were a party thereto and to be obligated to pay the principal of, premium, if any and interest on the Bonds, when due, from its Net Revenues (as defined in the Indenture) derived from the operation of the Stadium Authority Parking Facilities; and

WHEREAS, in consideration of the refunding of the 2017 SA Notes and in support of its obligations under the Joinder Agreement, the Stadium Authority intends to enter into a Collateral Assignment Agreement or similar agreement between it and the Trustee (the "**Collateral Assignment**"), which the Authority will acknowledge, whereby the Stadium Authority intends to collaterally assign to the Trustee the Net Revenues derived from the operation of the Stadium Authority Parking Facilities; and

WHEREAS, to facilitate the establishment and direct the operation of the Parking System, the Authority and the Stadium Authority intend to enter into a Cooperation Agreement or similar agreement (the "**Cooperation Agreement**") pursuant to which their respective obligations with respect to the Bonds and the Parking System will be delineated; and

WHEREAS, the Authority expects to obtain a proposal for the purchase of the Bonds from PNC Capital Markets LLC and Siebert Cisneros Shank & Co., L.L.C. and/or such other underwriter or underwriters as may be appointed by the Authority pricing committee (see below) (collectively, the "**Underwriters**") and to enter into a bond purchase agreement, placement agreement or similar contract (the "**Purchase Contract**") with the Underwriters with respect to the Bonds setting forth the terms and conditions for such purchase or placement; and

WHEREAS, the Project is being undertaken to benefit the people of the City and of the County of Allegheny, Pennsylvania (the "**County**"), by and among other things, increasing their commerce and prosperity and promoting their educational, cultural, physical, civic, social and moral welfare; and

WHEREAS, certain action is required to be taken by the Authority as a prerequisite to the issuance and sale of the Bonds.

NOW, THEREFORE, BE, AND IT HEREBY IS RESOLVED, by the Authority, as follows:

Section 1. The undertaking of the Project will effectuate the purposes of the Act.

Section 2. The Purchase Contract between the Underwriters and the Authority to purchase or place the Bonds is hereby authorized in a form acceptable to the Authority's solicitor, subject to the

provisions of Section 3 below, and the Chairman, the Vice Chairman and the Executive Director are, and each of them hereby is, authorized and directed to accept and execute the Purchase Contract and to cause the accepted Purchase Contract to be delivered to the Underwriters.

Section 3. The issuance of the Bonds, in a principal amount not to exceed \$55,000,000, having a final maturity date not to exceed December 15, 2042, having an average bond yield not to exceed 5.000% and having such redemption features and other provisions as shall be set forth in the Indenture and in the Purchaser Contract, is hereby authorized and approved.

The Authority hereby authorizes and directs the creation of a Pricing Committee (the "*Pricing Committee*") whose membership shall consist of the Chairman of the Authority, the Vice Chairman of the Authority (and in the absence of either, first, the Treasurer of the Authority, and if he or she is not available, then the Secretary of the Authority are authorized to serve in such member's stead), the Chairman of the Stadium Authority and the Vice Chairman of the Stadium Authority (and in the absence of either, first, the Treasurer of the Authority, and if he or she is not available, then the Secretary of the Authority are authorized to serve in such member's stead). The Pricing Committee is hereby authorized to approve, on behalf of the Authority, the final terms and provisions of the Bonds, the final documentation, the selection of any bond insurer, and other matters with respect to the Bonds.

Section 4. The Authority hereby authorizes the issuance of the Bonds in definitive form, registrable as to both principal and interest, as provided in the Indenture, to be redeemable to the extent and at the prices specified in the Indenture and in the manner provided therein, to be entitled to the security provided in the Indenture and to be paid as therein provided, to bear interest from the dates and payable on the dates and at the rates set forth in the Indenture and Purchase Contract, and to mature as provided therein and to be substantially in the form and to have such other terms and provisions as more fully set forth in the Indenture.

Section 5. The Chairman, the Vice Chairman and the Executive Director of the Authority are, and each of them hereby is, authorized and directed to execute the Indenture in the name and on behalf of the Authority, in such form as may be approved by the Authority's solicitor and by the officer executing the same (such approval to be conclusively evidenced by such officer's execution thereof), and to acknowledge each to be the act and deed of the Authority, and the Secretary or Assistant Secretary of the Authority is hereby authorized and directed to attest the same, and said officers or any of them hereby are authorized and directed to deliver the Indenture to the Trustee.

Section 6. The Chairman, the Vice Chairman and the Executive Director of the Authority are, and each of them hereby is, authorized and directed to execute the Bonds manually, or to cause his or her facsimile signature to be imprinted thereon in the name and on behalf of the Authority and in the manner provided therefor in the Indenture, and the Secretary or Assistant Secretary of the Authority is hereby authorized and directed to attest the same by manual or facsimile signature, in the manner provided therefor in the Indenture, and the Authority adopts said manual or facsimile signature as binding upon it.

The Chairman, the Vice Chairman or the Executive Director and the Secretary or Assistant Secretary of the Authority are hereby authorized and directed to direct the Trustee to authenticate all of the Bonds and are further authorized and directed to deliver all of the Bonds to or as directed by the Underwriters, upon receipt therefor of the purchase price pursuant to the Purchase Contract.

Section 7. The Chairman, the Vice Chairman and the Executive Director of the Authority are, and each of them hereby is, authorized and directed to execute a Cooperation Agreement or Agreements in the name and on behalf of the Authority, in such form as may be approved by the Authority's solicitor and by the officer executing the same (such approval to be conclusively evidenced by such officer's

execution thereof), and any officer of the Authority is hereby authorized and directed to deliver the Cooperation Agreement(s), and the proper officers of the Authority are hereby authorized and directed to prepare, execute and deliver such other documents and papers and do such other things as may be required to be done by the terms of the Cooperation Agreement(s).

Section 8. The Chairman, the Vice Chairman and the Executive Director of the Authority are, and each of them hereby is, authorized and directed to acknowledge the Joinder Agreement on behalf of the Authority (but not as a party thereto), in such form as may be agreed to by the Authority's solicitor and by the officer executing the same (such acknowledgement to be conclusively evidenced by such officer's execution thereof).

Section 9. The Chairman, the Vice Chairman and the Executive Director of the Authority are, and each of them hereby is, authorized and directed to acknowledge the Collateral Assignment on behalf of the Authority (but not as a party thereto), in such form as may be agreed to by the Authority's solicitor and by the officer executing the same (such acknowledgement to be conclusively evidenced by such officer's execution thereof).

Section 10. The Pricing Committee may determine that it is in the financial interest of the Authority and the Stadium Authority to insure the payment, when due, of the principal of and interest on the Bonds by purchasing a municipal bond insurance policy. If the Pricing Committee determines to proceed with purchasing a municipal bond insurance policy for the Bonds, the proper officers of the Authority are hereby authorized and directed to contract with such bond insurer for the purchase of such municipal bond insurance policy and to enter into any other necessary agreements relating to the delivery of such municipal bond insurance policy.

Section 11. The Pricing Committee may determine that it is in the financial interest of the Authority and the Stadium Authority to satisfy the Debt Service Reserve Requirement (as defined in the Indenture) for the Bonds through the purchase of a surety policy. If the Pricing Committee determines to proceed with the purchase of a surety policy, the proper officers of the Authority are hereby authorized and directed to contract with such insurer for the purchase of such surety policy and to enter into any other necessary agreements relating to such surety policy.

Section 12. The Authority hereby authorizes and approves the distribution of one or more Preliminary Official Statements or preliminary placement memoranda with respect to the Bonds (collectively, the "**Preliminary Official Statement**") and one or more final Official Statements or final placement memoranda with respect to the Bonds (collectively, the "**Official Statement**"), each to be in such form as the Authority's solicitor and the Chairman, the Vice Chairman or the Executive Director of the Authority executing the same shall approve, and with such approval to be conclusively evidenced by the execution thereof by the Chairman, the Vice Chairman or the Executive Director of the Authority, and each of them is hereby authorized to sign the final Official Statement on behalf of the Authority.

Section 13. PNC Capital Markets LLC and Siebert Cisneros Shank & Co., L.L.C. and such other underwriter or underwriters as may be approved by the Pricing Committee are hereby appointed as underwriters for the Bonds. The law firm of Dickie, McCamey & Chilcote is hereby acknowledged and accepted as Underwriters' Counsel for the issuance of the Bonds. PFM Financial Advisors LLC is hereby appointed as financial advisor in connection with the issuance of the Bonds. The law firm of Eckert Seamans Cherin & Mellott, LLC is hereby appointed as Disclosure Counsel in connection with the issuance of the Bonds. The law firms of Cohen & Grigsby, P.C., and Hardwick LLC are hereby appointed as Co-Bond Counsel in connection with the issuance of the Bonds.

Section 14. The Chairman, the Vice Chairman and the Executive Director of the Authority are, and each of them hereby is, authorized and directed to approve the payment of all costs of issuance of the Bonds from bond proceeds or other available moneys of the Authority.

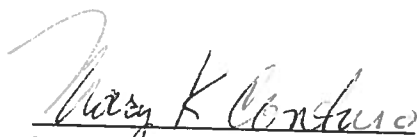
Section 15. The proper officers of the Authority are hereby authorized and directed to execute and deliver all other documents required by the provisions of the Indenture, the Cooperation Agreement and the Purchase Contract and to take such other action as may be necessary or appropriate in order to effectuate the execution and delivery of the Bonds, the issuance and sale of the Bonds, including but not limited to a tax certificate a continuing disclosure agreement and any other necessary certificates or documents and the payoff of the 2017 SEA Notes.

Section 16. No covenant, stipulation, obligation or agreement contained in this Resolution, the Indenture, the Cooperation Agreement or the Purchase Contract shall be deemed to be a covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Authority in his or her individual capacity and neither the members of the Authority nor any officer executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 17. The Bonds shall be limited obligations of the Authority and shall not constitute an obligation of or a pledge of the general credit of the Authority nor the general credit or taxing power of the City, the County or of the Commonwealth or any political subdivision thereof. Recourse on the Bonds and on the other instruments and documents executed and delivered by the Authority in connection therewith may be had only against the Trust Estate as described in the Indenture.

Section 18. This Resolution shall take effect immediately upon its adoption, and all prior resolutions of the Authority or parts of such resolutions not in accord with the Resolution are hereby repealed insofar as they conflict herewith.

The next item was public participation, and Senator Fontana asked if anyone in the audience desired to address 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 11:05 A.M.


Mary Conturo
Assistant Secretary