

MINUTES OF THE MEETING
OF THE BOARD OF THE
SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH
AND ALLEGHENY COUNTY
HELD THURSDAY, NOVEMBER 10, 2022
REMOTELY VIA ZOOM CONFERENCE
PITTSBURGH, PENNSYLVANIA
COMMENCING AT 10:36 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, November 10, 2022, commencing at 10:36 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
Mike Dunleavy, Vice-Chairman
Councilman Anthony Coghill, Treasurer
Sala Udin, Secretary
Michael Quatrini, Member

Also Present: Aaron Waller, Mary Conturo, Doug Straley, Rosanne Casciato, Rhea L. Thomas, Bill Williams, Bridget Pascal, Steve Morrison, Jhason Dixon, Theresa King, Randall Porch and Paul McDonald Jr. of the Authority; Morgan Hanson, Solicitor; Clarence Curry, CFC-3 Management Services; Tom Ryser, TPR, LLC; Tim Muldoon, Ryan Buries, Spencer Girman and Lucas Kistler of SMG; Jackie Riggleman, Pittsburgh Pirates; George Marsico, Mitsubishi Electric; Mark Belko, Pittsburgh Post-Gazette; Chris McCarty; and Username: Rad’s I Pad.

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. Mr. Paul McDonald Jr. 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 continued to the next item on the agenda, approval of the minutes from the meeting of October 13, 2022. A motion was made, seconded and unanimously approved.

Senator Fontana continued to the next item on the agenda, authorization to enter into a five-year lump sum agreement with Dagostino Electronic Services, Inc. (“DES”) in the amount of \$79,081 for the purchase, installation, maintenance and support, and upgrade of the phone system in the David L. Lawrence Convention Center (“DLCC”).

Mr. Steve Morrison stated the DLCC’s existing phone system was installed in 2000 and needs to be replaced due to age and functionality. In September 2022, the project was advertised as a Request for Proposals (“RFP”) in the Post-Gazette, New Pittsburgh Courier, the Pittsburgh Builders Exchange, on the Authority’s website, and the Urban Redevelopment Authority (“URA”) assisted in communicating the opportunity through its social media platforms. Fifteen vendors participated in a virtual pre-proposal meeting and eleven proposals were received on October 11, 2022.

A review committee comprised of SMG and Authority staff interviewed two shortlisted proposers that offered an on-premises solution vs. a cloud solution – DES and The Wilson Group. The committee recommended DES’s 5-year proposal for the lowest overall cost, qualifications of personnel for both installation & ongoing support, and familiarity and knowledge of DLCC. There is 6% MBE participation with Emerald Electric.

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 and seconded, the following resolution was approved:

RESOLUTION NO. 5859

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 five-year lump sum agreement with Dagostino Electronic Services, Inc. in the amount of \$79,081 for the purchase, installation, maintenance and support, and upgrade of the phone system in the David L. Lawrence Convention Center; and further that the other proper officers and agents of the Authority are authorized to take all action and execute such documents as are necessary and proper to effectuate the terms of this Resolution.

Senator Fontana continued to the next item on the agenda, authorization to extend the existing agreement with Veolia Water North America – Northeast, LLC for the operation of the chilled water plant, wastewater treatment plant, and North Shore water steps, for three years (\$540,984 for 2023, \$562,624 for 2024 and \$585,129 for 2025), with the Authority’s option for two one-year extensions (\$608,534 for 2026 and \$632,875 for 2027).

Mr. Doug Straley stated the wastewater treatment plant and chilled water plant at the DLCC have been operated by a third party since construction of the DLCC. Veolia has operated the plants since 2014 and approximately every five years the Authority issues an RFP to determine market conditions and interest in operating the plants.

In September 2022, the Authority issued an RFP seeking operators for both plants and the North Shore water steps. The RFP was advertised in the Post-Gazette, New Pittsburgh Courier, with the Pittsburgh Builders Exchange, on the Authority’s website, and the URA assisted in communicating the opportunity through its social media platforms. A non-mandatory pre-proposal meeting was held on October 6, 2022, with four firms in attendance.

Mr. Straley further stated the scope of work included operations of the chilled water plant, a water well supporting the plant, the wastewater treatment plant, and the water steps located at North Shore Riverfront Park.

On October 20, 2022, the Authority received three proposals. A committee comprised of Authority staff shortlisted two proposals and conducted scope reviews. The committee recommended Veolia for the following reasons: they provided the lowest cost proposal with fees of \$540,984 for 2023, \$562,624 for 2024 and \$585,129 for 2025, the expertise of their staff, and their past performance as operator of the plants since January 2014. The Authority and SMG have been pleased with their past performance and during the COVID-19 pandemic, Veolia voluntarily reduced their management fees to assist with the DLCC's budget shortfall.

Mr. Straley continued, the pricing indicated above includes a base management fee and a Limit Account ("LA") arrangement for repair and maintenance of the plants. The LA will cover all other repair and maintenance items and will be billed monthly as a separate line item on invoices. Documentation of the expenditures would be provided with each invoice. The LA would be reconciled with any balance being either rolled to the next period or refunded as desired by the Authority. The LA will be set at \$26,500 per year for the duration of the amendment. Mr. Straley further stated Veolia has identified various MBE/WBE companies, such as Emerald Electric and Far West Corrosion Control Company, to assist with any maintenance or repair projects.

Senator Fontana asked if there were any questions.

Mr. Michael Quatrini stated at the October meeting, the board approved money to determine if the cooling towers needed to be refurbished or replaced. Mr. Quatrini asked if the LA would cover the refurbishment or repairs of the towers.

Mr. Straley stated the LA is meant for small, unforeseen maintenance items.

Mr. Quatrini asked if the cooling towers were to go offline for a period of time for replacement or refurbishment, will that impact how much the Authority is paying Veolia.

Mr. Straley stated there are two cooling towers but only one is in use at a time. The construction will be phased to ensure the cooling towers aren't offline and can provide cooling for events at the DLLC.

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

RESOLUTION NO. 5860

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are to extend the existing agreement with Veolia Water North America – Northeast, LLC for the operation of the chilled water plant, wastewater treatment plant, and North Shore water steps, for three years (\$540,984 for 2023, \$562,624 for 2024 and \$585,129 for 2025), with the Authority's option for two one-year extensions (\$608,534 for 2026 and \$632,875 for 2027); 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 continued to the next item on the agenda, authorization to reimburse the Convention Center Operating Account in a lump sum amount of \$12,649 for the installation, programming, and startup of a variable frequency drive on a hot water supply pump.

Mr. Spencer Girman stated in Spring 2022, one of the two steam room hot water supply pumps was found to be inoperable due to the failure of its Variable Frequency Drive ("VFD"). An exact replacement VFD was procured as part of a project from this past July which involved multiple repairs/replacements of equipment in the steam room. Two bids were received for the

replacement of this VFD, but neither were accepted due to the estimated lead times (approximately 50 weeks). Due to the extensive lead time, DLCC opted to procure an equivalent replacement drive from Equipment & Controls, Inc. (“ECI”) for \$6,199 that would arrive in time to be installed, programmed, and started up prior to the current heating season.

In July 2022, a notice was advertised for the installation of the newly purchased drive. The notice was advertised in the Post-Gazette, New Pittsburgh Courier, with the Pittsburgh Builders Exchange, on the Authority website, and the URA assisted in communicating the opportunity through its social media platforms. Three quotes were received on August 25, 2022, and the installation services were awarded to Emerald Electric for \$2,090.

Mr. Girman further stated Emerald Electric completed the installation of the VFD on September 29, 2022. After the drive was fully installed in the steam room, technicians from ECI and Trinity Automated Solutions were onsite October 19, 2022, to program the drive and tie the drive into the building automation system. The replacement VFD and both hot water supply pumps are now fully operational. The work completed by ECI totaled \$1,992 and the work completed by Trinity Automated Solutions totaled \$2,368.

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

RESOLUTION NO. 5861

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to reimburse the Convention Center Operating Account in a lump sum amount of \$12,649 for the installation, programming, and startup of a variable frequency drive in the steam room; 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 to the next item on the agenda, authorization to enter into an agreement with Graciano Corporation in a not-to-exceed amount of \$143,350 for concrete and sealant repairs at the Tribute to Children Memorial, paid for by the Colcom Foundation.

Mr. Bill Williams stated every two years, the Authority solicits proposals to conduct a physical inspection of the Tribute to Children Memorial. In December 2021, O&S Associates (“O&S”) performed the inspection and submitted a report outlining their findings. Among other things, they recommended concrete repairs, sealant and mortar joint repairs, planter repairs, and slab sealant. The Authority contracted with Atlantic Engineering Services (“AES”), to develop bid drawings and specifications for the design, bidding and construction administration of the items identified by the O&S report.

In September 2022, a bid package was publicly advertised in AccuCopy, the New Pittsburgh Courier, the Pittsburgh Post-Gazette, on the Authority’s website, with the Pennsylvania Builders Exchange, African American Chamber of Commerce, First Source Center, Riverside Innovation Center, and the URA assisted in communicating the opportunity through its social media platforms. The bid package also included work for the Authority’s three North Shore garages. A pre-bid meeting was conducted on September 8, 2022, with five companies in attendance, and four bids were received on September 22, 2022. Base bids were received separately for the three garages and the Tribute to Children Memorial. Graciano was the lowest responsible bidder for the Tribute work at \$143,350. The bids also included unit pricing that can be used for additional quantities that may arise.

Mr. Williams further stated the warranties are five years for the sealants and one year on all other work. Work will begin this fall and is anticipated to be completed in spring 2023. There

is 10% MBE participation for the project with Reed Building Supplies and a 10% WBE participation with Ida Yeager. The project is funded by the Colcom Foundation.

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

RESOLUTION NO. 5862

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 Graciano Corporation in a not-to-exceed amount of \$143,350 for concrete and sealant repairs at the Tribute to Children Memorial, paid for by the Colcom Foundation; 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 to the next item on the agenda, authorization to reimburse Pittsburgh Associates in an amount not to exceed \$433,425 for sound room HVAC equipment replacement.

Mr. Williams stated, per the terms of the lease, the Authority is required to pay for certain capital repairs to PNC Park. Section 10.4.1 of the lease defines eligible repairs as “major repairs to or replacements of mechanical, electrical, HVAC and plumbing systems.” This project meets the criteria.

The cooling equipment in three rooms at PNC Park is not maintaining the proper operational temperature for the electronic equipment housed in these rooms. The equipment is original to the building and these issues have been documented in the Authority’s Facility Condition Assessment Reports over the past several years.

Mr. Williams further stated the Pirates are working with Mascaro to undertake the project to utilize heat pump technology in two rooms and a Liebert cooling system in the third room. Mascaro provided a guaranteed maximum price (“GMP”) estimate of \$677,417. Of the GMP overall estimate, the HVAC, electrical, and roofing work combine for a total of \$441,800. Included in the HVAC price is restroom ventilation work for \$8,375 which is not the Authority’s responsibility and therefore, is excluded from the overall approval.

Mascaro has also provided estimated additional work associated with the replacement of these units. This estimated additional work will be reviewed during the installation by the Authority’s Facilities Director and subsequently submitted as a change order after the project is completed.

Mr. Williams stated there is 10% MBE participation with AR Construction for roofing work, Northstar Environmental for balancing, BIC Insulation Services for insulating, and Emerald Electric for electrical labor. There is 0.5% WBE participation with Horizon Information Systems for materials. The warranty is one year for materials and workmanship. The project is scheduled to commence immediately following board approval with completion of two rooms prior to the start of the 2023 baseball season and the third room, with the Liebert unit, is scheduled to be completed by July 2023.

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

RESOLUTION NO. 5863

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 Pittsburgh Associates in an amount not to exceed \$433,425 for

sound room HVAC equipment replacement; 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 to the next item on the agenda, authorization to extend the term of the Parking License Agreement with Summit Hospitality 139, LLC until December 31, 2027.

Mr. Straley stated that in 2002 the Authority sold the property on Penn Avenue for development of the Courtyard by Marriott hotel. As part of the transaction, the ownership was required by Marriott to secure an area for 50 parking spaces to be used for hotel guest valet parking. The Authority entered into an agreement running through 2012 to provide 50 parking spaces in the Authority's surface parking lot adjacent to the DLCC on the east side of the 10th and Penn intersection.

In 2012, the hotel was sold to IA Lodging Pittsburgh Penn TRS DST ("IA Lodging"). IA Lodging requested a new five-year agreement for 50 parking spaces: forty-five spaces in the East Lot, and only if the East Lot is full, an additional five spaces in the West Lot.

Mr. Straley further stated that in June 2017 IA Lodging was sold to Summit Hospitality 139, LLC ("Summit"). Summit requested and received a five-year extension ending December 31, 2022. Summit is currently paying the full DLCC Garage event monthly parking lease rate of \$400 per space per month (\$20,000 per month) for the spaces. The license fee is paid monthly, and the full amount is due, whether or not all the parking spaces are used. This amendment would extend the agreement another five years until December 31, 2027.

Senator Fontana asked if there was an option for the Authority to terminate at any point.

Mr. Straley stated the Authority has the sole ability to relocate the spaces into the garage, other lots, or any of the Authority's facilities during the term.

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

RESOLUTION NO. 5864

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to extend the term of the Parking License Agreement with Summit Hospitality 139, LLC (successor to IA Lodging Pittsburgh Penn TRS DST) until December 31, 2027; 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.

Mr. McDonald Jr. 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 and there were no registrations to submit public comment via telephone or the Zoom chat function.

Senator Fontana asked if the next meeting is on December 8, 2022.

Mr. Aaron Waller confirmed that is correct.

Senator Fontana asked if there were any comments from the board.

Mr. Waller introduced Ms. Bridget Pascal as the new CFO of the Authority.

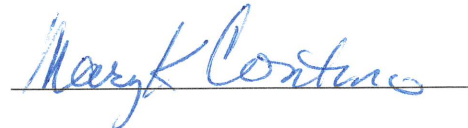
Ms. Pascal stated she started on November 1, 2022 and is excited to be a part of the Authority.

Senator Fontana welcomed Ms. Pascal and stated the board is looking forward to working with her.

Mr. Waller thanked Ms. Rosanne Casciato for her years of service with the Authority.

Senator Fontana personally thanked Ms. Casciato. Senator Fontana further stated he has known Ms. Casciato since before her days with the Authority and Ms. Casciato has done a great job over the years and will be a great mentor for Ms. Pascal.

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 10:57 A.M.

A handwritten signature in blue ink, reading "Mary K. Costello", is written over a horizontal line.

Assistant Secretary