

MINUTES OF THE MEETING  
OF THE BOARD OF THE  
SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH  
AND ALLEGHENY COUNTY  
HELD THURSDAY, JUNE 9, 2022  
PITTSBURGH, PENNSYLVANIA  
COMMENCING AT 11:12 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 Meeting Rooms 401-402 on Thursday, June 9, 2022, commencing at 11:12 A.M. E.S.T.

Members of the Authority

Present: Sen. Wayne Fontana, Chairman  
Sala Udin, Secretary (via phone)  
Councilman Nicholas Futules, Member  
Rev. Glenn Grayson, Member (via phone)  
Michael Quatrini, Member

Also Present: Mary Conturo, Doug Straley, Rosanne Casciato, Rhea L. Thomas, Bill Williams, Jhason Dixon, Desmond Bentley, Theresa King, and Paul McDonald Jr. of the Authority; Morgan Hanson, Solicitor; Clarence Curry, CFC-3 Management Services; Tom Ryser, TPR, LLC; Tim Muldoon, Ryan Buries, and Spencer Girman, of SMG; Jackie Riggleman and Drew Singer of the Pittsburgh Pirates; and Frederick Winkler, Architect.

Senator Wayne Fontana called the meeting to order with the Pledge of Allegiance. Mr. 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. 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 on May 12, 2022. A motion was made, seconded and unanimously approved.

Senator Fontana continued onto the next item on the agenda under the David L. Lawrence Convention Center (“DLCC”), authorization to enter into a lump sum agreement with Ruthrauff Sauer LLC in the amount of \$298,500 for drain repairs and replacements.

Mr. Ryan Buries stated the loading docks at the DLCC are used to facilitate move-in and move-out of events scheduled in the exhibit halls. A secondary use of the loading docks is to clean vehicles prior to them being moved into the exhibit halls. The loading docks are equipped with area drains to allow water from the cleaning process to drain from the floor of the loading dock.

In several areas of the drain system, leaks have developed. CJL Engineering designed the repairs and prepared the drawing and specifications for this project. The scope of work includes replacing the piping, heat trace, and insulation as needed with respect to the loading dock drains. The scope of work also includes concrete and drain replacement on the mezzanine level of the garage.

Mr. Buries further stated in March 2022, a bid was publicly advertised in the Pittsburgh Post-Gazette, Pittsburgh New Courier, and posted on the Authority website. The Urban Redevelopment Authority (“URA”) also assisted the Authority with social media communication by including this opportunity on its social media platforms. A non-mandatory pre-bid meeting was held on March 24, 2022, with bids received from Ruthrauff-Sauer, WG Tomko, McKamish, and Ruthrauff-Sauer submitted the lowest price bid of \$298,500.

Upon authorization and execution of the agreement, the work will be scheduled in coordination with the DLCC events schedule. There will be 1-year warranty on all materials, equipment, and installation.

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. 5824**

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 Ruthrauff Sauer LLC in the amount of \$298,500 for drain repairs and replacements; 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 Guy's Mechanical Systems, Inc. in a lump sum amount of \$54,800 for replacement of condenser water pump.

Mr. Buries stated the chilled water plant utilizes five condenser water pumps to pump water from the chilled water plant to the cooling towers on the rooftop of the DLCC. Veolia Water ("Veolia"), the operator of the chilled water plant, recommended replacement of one condenser water pump.

In May 2022, a public bid was advertised in the Post-Gazette, Pittsburgh New Courier, on the Authority website, and the URA assisted by including the bidding opportunity on its social media platforms. The notice to bidders was sent to 36 contractors, including 2 MBE and 3 WBE contractors. One bid was received on May 26, 2022 from Guy's Mechanical Systems.

Upon authorization, notice will be given to the contractor to proceed. There is a 15-20

week lead time on the equipment for this project. The chiller plant can continue to operate with the remaining pumps during this period. Installation will be scheduled upon receipt of the equipment. The new equipment will have a 1-year manufacturer's warranty.

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. 5825**

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 Guy's Mechanical Systems, Inc. in the lump sum amount of \$54,800 for replacement of condenser water pump; 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 SSI, Inc. in a lump sum amount of \$11,220 for two variable frequency drives for the wastewater treatment plant.

Mr. Spencer Girman stated the DLCC has an on-site Wastewater Treatment Plant ("WWTP") that uses microbes to break down and digest waste material from sanitary drain lines in the building. This wastewater is treated and disinfected to be reused for toilet and urinal flushes.

In May 2020, the WWTP was shut down during the pandemic. Through the re-start process it was discovered that the variable frequency drives ("VFD") on the aeration blower motors were inoperable. VFDs work with the automated controls system to reduce the speed of the blower

motors, thus reducing energy consumption and maintaining appropriate levels of dissolved oxygen in the BioReactor. The WWTP is not able to be operated without at least one working VFD.

Mr. Girman further stated SMG was able to find a compatible, used VFD on eBay and purchased it for less than \$2,000 dollars. (We learned from Alcosan that they had recently used eBay as a means to procure a used VFD and confirmed that the equipment purchased suited their needs.)

The new VFD's will have three-year warranty on both parts and on-site maintenance.

Senator Fontana asked if there were any questions.

Senator Fontana asked whether Veoila is just an equipment company or do they test the water.

Mr. Buries stated Veoila manages the water testing, and the testing is monthly.

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. 5826**

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 SSI, Inc. in a lump sum amount of \$11,200 for two variable frequency drives in the wastewater treatment plant; 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 amendment with YouthPlaces to extend the lease term from June 30, 2022 to July 1, 2023 for retail space along Penn Avenue.

Mr. Williams stated YouthPlaces (“YP”) is a non-profit currently leasing 1,882 square feet of convention center retail space along Penn Avenue. YP uses the space to provide a downtown resource for youth ages 12 - 18. The YP original lease started in February 2020, and since November 2021, their base rental rate has been \$18.36 per square foot, plus utilities. YP is current on both rent and utility payments.

During the school year, they are open (Monday through Friday) from 10:00am to 6:00pm, and between the hours of 2:30-6:00pm, the location is used for after-school activities and programs. This year, 58 kids were serviced with 27 of them consistently being enrolled in after-school programming.

Mr. Williams further stated in February 2021, YP partnered with the Pittsburgh Knights and My Brother’s Keeper to offer an E-sports program. The vision of the program is to gain technical knowledge as well as an awareness of workforce opportunities in the gaming industry. To date, 32 youth have participated in this gaming program. As a continuum to the after-school program, the Pittsburgh Knights have agreed to take 6 youth interns for summer employment.

During the summer, YP will be open (Monday through Friday) from 9:00am to 3:00pm, and YP anticipate 15 youths will participate this summer.

This authorization is to extend the lease to June 30, 2023, under the same terms of the existing lease except with a 3% base rate increase. The new base rent will be \$18.91 per square foot, or \$35,589 for twelve months plus utilities. The tenant is responsible for all utilities, telecoms, daily maintenance costs of space, and snow/ice removal in front of the space.

Senator Fontana asked if there were any questions.

Mr. Quatrini asked if YP and the other three tenants, is our CC retail space all occupied?

Mr. Williams confirmed this is correct.

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. 5827**

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 amendment with YouthPlaces to extend the lease term from July 1, 2022 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, authorization to enter into a license agreement with Beaver County Historical Research & Landmarks Foundation (“BCHR”) to install a Lewis and Clark historical trail marker adjacent to the David L. Lawrence Convention Center riverfront trail.

Ms. King stated the BCHR desires to enter into a license agreement for the installation of a historical trail marker honoring Lewis and Clark’s 1803 voyage. The marker will be located on the 11<sup>th</sup> Street Lawn along the Three River Heritage Trail adjacent to the DLCC. The information marker will be constructed from a durable fiberglass embedment, making the marker durable and maintenance-free. The sign will be paid for and maintained by the BCHR through a Lewis and Clark Trail Heritage Foundation grant. The Authority has the right to terminate the license agreement as needed.

Senator Fontana asked if there were any questions.

Councilman Futules asked if the BCHR will maintain any updates or repairs.

Ms. King stated the City of Pittsburgh will mow the grass and if the sign is graffitied or needs replaced the BCHR will replace the sign.

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. 5828**

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 license agreement with Beaver County Historical Research & Landmarks Foundation to install a Lewis and Clark historical trail marker adjacent to the David L. Lawrence Convention Center riverfront trail; 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 Pittsburgh Associates in an amount not to exceed \$6,560,962 for the replacement and installation of (i) sound system equipment by Clair Global Integration Inc and (ii) video production equipment by Texolve Digital.

Mr. Williams stated per the terms of the lease between the SEA and Pittsburgh Associates (“Pirates”), the Authority is required to pay for eligible capital projects. In January 2022, the Pirates informed the Authority that they considered the sound system and video production equipment to be beyond their useful life and in need of replacement. In addition, the Authority’s recent inspection reports have noted certain issues with these systems.



The Pirates provided a report by Wrightson, Johnson, Haddon and Williams, Inc. (“WJHW”), their technology consultant, evaluating the existing condition of the systems and making specific recommendations with respect to replacement.

Anthony James Partners (“AJP”), the Authority’s technology consultant, has reviewed the WJHW report and has provided technical advice to the Authority.

Mr. Williams further stated on April 11, 2022, the Pirates issued an request for proposal (“RFP”) for the sound system to three contractors, and two responses were submitted. Scope reviews were held, and best and final pricing was received on May 19, 2022. The sound system project provides for replacement of the entire bowl speaker system and associated hardware, including digital signal processing, amplifiers, and speaker hardware.

On April 11, 2022, the Pirates issued an RFP for the video production equipment to five contactors, and two responses were submitted. Scope reviews were held, and best and final pricing was received on May 19, 2022. The video production equipment project replaces cameras, displays, signal processing and control room equipment.

AJP has reviewed the equipment and costs submitted by the Pirates. AJP advised that a “like for like” replacement, providing the same capabilities as now in the ballpark, would cost \$6,560,962. The Pirates have requested equipment that has additional capabilities and other features that increase the cost. These additional capabilities / items include wireless transmitters, intercom and switchers. AJP considers these to be improvements over the existing equipment and they are therefore excluded from the reimbursement. Also, not considered reimbursable is the cost of seventeen F1 lower bowl speakers that were recently replaced and have not exceeded their useful life.

Mr. Williams continued the Pirates requested reimbursement of \$7,557,082. It is recommended that, in accordance with the lease, reimbursement be made in the amount of \$6,560,962. The Pirates agree to reimbursement in the amount of \$6,560,962. They advise that at their cost they will undertake the unreimbursed items, reserving their rights for reimbursement in that regard. In addition, the Pirates will not be eligible to submit any additional requests for Capital Repair/Improvement reimbursements related to the elements of this work for a period of 7 years.

The MBE participation is 13% and the WBE participation is 3%. Both projects are scheduled to commence in June 2022 with completion prior to the start of the 2023 baseball season.

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. 5829**

RESOLVED by 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 \$6,560,962 for the replacement and installation of (i) sound system equipment by Clair Global Integration Inc and (ii) video production equipment by Texolve Digital; 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 bind all insurance for July 1, 2022, to June 30, 2023, at a cost not-to-exceed \$408,183 plus processing and workers compensation auditing fees.

Ms. Casciato stated that on February 25th the Board authorized an agreement with Henderson Brothers for insurance broker and risk management services. As such, Henderson obtained quotes for the upcoming insurance year. 12 different carriers responded to Henderson's request for pricing for the various insurance needs, however, most of the carriers declined to submit final proposals. In all cases, the current carrier provided the lowest pricing. The total insurance costs will increase \$26,848 or 7%.

Property insurance remains with AIG and is the largest insurance expense. While the property rate stayed the same, the property values increased from \$461 million to \$513 million. The values have not been increased for several years while construction costs have risen 35% since 2017. The carrier will be performing a building inspection and if the valuation is less than priced, a refund will be issued.

Ms. Casciato further stated public officials' renewal with Chubb increased 6.4%, from \$18,801 to \$19,999. This insurance is based on revenues. Total operating revenues increased from \$14.3 million in 2020 to \$15.8 million in 2021.

The largest percentage increase was flood insurance for the center. This policy is from the National Flood Insurance Program which implemented a new rating methodology in 2022, causing our premium to increase 15%.

Cyber insurance is a joint policy of the Stadium Authority and the SEA, and the cost for \$1 million coverage is shared between the two. The Authorities' share of the cyber policy is \$4,671.

Ms. Casciato continued quotes were also received for Worker's Compensation; General, Umbrella and Excess Liability; and Business Auto.

Our contract with Henderson provides that we pay them a fixed fee of \$45,000 rather than have them paid through commissions. Some of the carriers would not remove the commissions from their proposals, and these commissions total \$46,594. We agreed that Henderson would receive the commissions but owe the Authority \$1,594. A review meeting was held on May 31, 2022, with Michael Quatrini (SEA Board Member), Ryan Cascianni and Sara Bianco from Henderson, and various SEA staff members. Henderson recommends the proposals and binding the insurance effective July 1, 2022.

Senator Fontana asked if there were any questions.

Councilman Futules asked if the DLCC is subjected to flooding.

Ms. Casciato advised that the building is within the flood plain.

Ms. Conturo reminded that the water feature often floods, but to date there has never been a flood where the water has reached the building proper.

Ms. Casciato advised that being within a flood plain makes the building eligible for the federal flood insurance. Henderson recommends the federal flood insurance because the deductible under standard property insurance is high in the event of a flood.

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. 5830**

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to bind all insurance for July, 1 2022, to June 30, 2023 at a cost not-to-exceed \$408,183 plus processing and workers compensation auditing fees; 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 amend the Act 42 EDTF Restricted Account Programs and Procedures.

Ms. Conturo stated an annual allocation has been made of funds from the Pennsylvania Gaming Economic Development and Tourism Fund (“EDTF”) for use by the Authority for the establishment, administration, and maintenance of a regional sports commission.

In implementing this the Authority has set up the Sports Commission which is a sub-committee of the Authority and has developed programs and procedures of how the money is to be used and administered. One use of the money is to provide funds for the Sports Event Funding (“SEF”) Program

In preparation for this next round of SEF Program applications, this Board action would adopt revisions to the Programs and Procedures as enclosed. The revisions are in response to experience gained from the applications received in January 2022 round of applications. If the amended Programs and Procedures are adopted by the Authority, they will then be submitted to the Sports Commission for approval and adoption.

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. 5831**

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that the amended Act 42 EDTF Restricted Account Programs and Procedures provided herewith, with appropriate information filled in and completed are hereby adopted; 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.

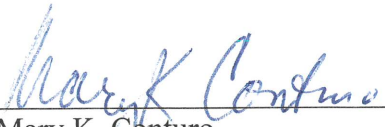
The next item was public participation, and Senator Fontana asked if anyone in the audience desired to address the board.

Before the meeting closed, Ms. Conturo introduced three new members of the SEA staff to the board – Theresa King (Project Coordinator), Desmond Bentley (Project Assistant), and Paul McDonald Jr. (Project Assistant). Mr. Muldoon introduced Spencer Girman, SMG’s new facility manager for our building.

Ms. Conturo then reminded the board that they are invited to see the completed 4<sup>th</sup> floor roof terrace, following the meeting. And they are invited to a “welcome back to downtown” event that Pittsburgh Downtown Partnership is holding on the rooftop terrace on Thursday, June 16 from 4:30 – 8:00 PM. This event will showcase the rooftop terrace to the public it will be the first major event held in that new space.

Lastly, Ms. Conturo reminded the board that after today, we will resume remote meetings until further noticed.

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 adjourned at 11:12 AM.

  
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Mary K. Conturo  
Assistant Secretary