

MINUTES OF THE MEETING
OF THE BOARD OF THE
SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH
AND ALLEGHENY COUNTY
HELD THURSDAY, NOVEMBER 12, 2015
AT THE DAVID L. LAWRENCE CONVENTION CENTER
PITTSBURGH, PENNSYLVANIA
COMMENCING AT 10:39 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 Room 333 at the David L. Lawrence Convention Center in Pittsburgh, PA 15222, on Thursday, November 12, 2015 commencing at 10:39 A.M. E.S.T.

Members of the Authority

Present: Senator Wayne Fontana, Chairman
Jill Weimer, Member
Reverend John Welch, Member
Councilman Dan Gilman, Member
Sala Udin, Member

Absent: Michael Dunleavy, Vice-Chairman
Councilman James Ellenbogen, Member

Also Present: Mary Conturo, Doug Straley, Rosanne Casciato, Theresa Bissell, Rosemary Carroll, Taylor Blice, Rifat Qureshi, Tom Ryser, Steve Morrison, Christina Lynch, Allison Botti, Joy Henderson, and intern Alaziah Lewis of the Authority; Morgan Hanson, Solicitor; Clarence Curry of CFC-3; Tim Muldoon, Ryan Buries, Linda Mihalic, and Conor McGarvey of SMG; J.J. McGraw of Pittsburgh Associates; Mark Belko, reporter, Pittsburgh Post-Gazette; and Frederick Winkler, architect.

Senator 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 confirmed that Mr. Udin was attending via telephone and that he could hear the other Board Members and the Board Members could hear Mr. Udin. It was determined that a quorum was present.

Beginning with public participation, Senator Fontana asked if any members of the audience would like to address the Board. Hearing none, he moved to the next order of business. The meeting continued with approval of minutes from the meeting of October 8, 2015. A motion was made, seconded, and unanimously approved.

Senator Fontana addressed new business with the first item on the agenda, a request for authorization to enter into a three year service contract with Otis Elevator Company in an amount of \$258,843 to provide elevator and escalator maintenance at the David L. Lawrence Convention Center, with the option to extend for two additional years.

Ms. Linda Mihalic explained that the David L. Lawrence Convention Center has 17 elevators and 14 escalators in service. Schindler Elevator Corporation holds the existing elevator and escalator service contract, which by its terms expired on March 29, 2015, but has been extended on a month-to-month basis during the procurement process for the new service contract. The Board approved a contract with BOCA Group International in February of 2015 to evaluate the condition and operation of all the elevator and escalator equipment. The maintenance and housekeeping deficiencies indicated in the BOCA evaluation have been addressed by Schindler.

SMG issued a Request for Proposals for a new elevator and escalator maintenance contractor in September of 2015. The project was publicly advertised in the Pittsburgh Tribune-Review, the Courier, and the SEA website. SMG emailed the RFP to four companies: Schindler Elevator Corporation, Otis Elevator Company, Kone Corporation, and Thyssen Krupp Elevator Americas. Four proposals were received on October 19, 2015. The proposals were reviewed by a selection team comprised of Doug Straley, Taylor Blice, Christina Lynch, Clarence Curry (SEA) and Linda Mihalic, Conor McGarvey, and Ryan Buries (SMG). Otis Elevator Company

and Schindler Elevator Corporation were invited for scope reviews and provided revised proposals based on feedback from the selection team.

The proposal from Otis Elevator Company provided the lowest cost pricing, and comparable hourly rates to the other proposers. Other reasons for selecting Otis Elevator Company include: 1) familiarity with Schindler elevators and escalators, 2) qualified mechanics that can respond quickly, 3) Otis offered to install door restrictors in all eleven passenger elevators at no charge, and 4) they stated they will install solid state starters on all hydraulic elevators as they reach the end of their useful life at no cost to the DLCC.

Otis Elevator Company also submitted two alternate proposals for a reduced scope of work at reduced monthly fees. SMG is recommending one of the alternate proposals in an amount of \$6,910 per month. The Otis Elevator Company fee includes a 4% annual increase each year. Under the scope revision, maintenance hours will be allocated to equipment based on run time and usage, instead of a set number of hours per piece of equipment as indicated in the original RFP. This arrangement will allow more flexibility in scheduling the maintenance work and significant cost savings. Otis Elevator Company will commence work on December 1, 2015. The contract is expected to include about 1% WBE participation by Bob's Local for trucking and equipment storage. Bob's Local has applied for WBE status but has not yet received the certification. Otis Elevator Company will perform all repairs and maintenance with in-house forces, but Huckestein Mechanical Services, a WBE firm, will be utilized in the event that HVAC (heating, ventilation, and air conditioning) or electrical work is needed for a repair.

Senator Fontana asked if there were any questions from the Board. Reverend Welch suggested that before any extensions are considered at the end of their contract, that Otis does a better job of demonstrating their ability to hire sub-contractors to meet MBE/WBE participation

goals. Ms. Mihalic responded that she would convey this concern to Otis. Senator Fontana asked Ms. Mihalic if it is optional to extend the contract for two additional years, and Ms. Mihalic confirmed it is.

Senator Fontana asked if there were any additional questions. 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. 5359

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 service contract with Otis Elevator Company in an amount of \$258,843 to provide elevator and escalator maintenance at the David L. Lawrence Convention Center, with the option to extend for two additional years; and further that the proper officers and agents of the Authority are authorized to take all action and execute such documents as are necessary and proper to effectuate the terms of this Resolution.

Senator Fontana introduced the next item, which was a request for authorization to issue a change order to Trane U.S. Inc. in an amount of \$13,926 for replacement of five field level controllers in the chilled water pump controls package for the Chilled Water Plant.

Mr. Ryan Buries explained that in August of 2014, the Board authorized a contract with Trane U.S. Inc. for replacement of automated controls for the chilled water pumps. Since the upgrade of the software and network controller, Veolia, the operators of the Chilled Water Plant, have noticed intermittent communication errors at the five field level controllers, known as MP503s. The frequency of these communication errors has increased markedly over the past 2-4 months. Replacement of the MP503s with UC400 controllers will eliminate the communication errors and allow for additional data monitoring via the previously upgraded controls software.

The existing MP503s are original to the construction of the plant, and there are no applicable warranties.

The Tracer software that was installed in 2014 is proprietary to Trane; therefore this was a sole-source procurement process. The pricing submitted is comparable to similar non-Trane controllers used elsewhere in the building. The project will begin upon authorization and execution of the change order. There is a 1 year warranty on the controllers.

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. 5360

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to issue a change order to Trane U.S. Inc. in an amount of \$13,926 for replacement of five field level controllers in the chilled water pump controls package for the Chilled Water 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 introduced the next item on the agenda, a request for authorization to enter into a contract with Overhead Door Company in a lump sum amount of \$19,000 for replacement of rolling grilles on two overhead security gates at the DLCC first and second level loading docks.

Mr. Buries explained that the security gates at the entrances to the first and second level loading docks are used to secure the facility after hours. These gates are heavily used and are

currently inoperable and in need of new rolling grilles and operators. Both gates are original to the building and there are no applicable warranties.

Written quotes were solicited from three companies for the replacement of rolling grilles and electric operators, and Overhead Door Company, with a quote of \$19,000 for both grilles, was selected as the low responsible bidder. There is a 1 year warranty on the new security grilles. The project will commence upon authorization and execution of the contract. It is expected to take 5-7 days to complete the installation of both grilles.

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. 5361

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 Overhead Door Company in a lump sum amount of \$19,000 for replacement of rolling grilles on two overhead security gates at the DLCC first and second level loading docks; 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, a request for authorization to enter into an agreement with PremierComm, LLC in a lump sum amount of \$14,325 for telephone handsets, equipment and installation.

Mr. Steve Morrison explained that the Convention Center's phone system was upgraded in September 2015, and some of the older digital phones that were installed in the Center's original construction need to be replaced. We are intending to replace these phones over the next

few years, but due to some voicemail issues with the older phones, we have chosen to replace them now. A total of 45 digital phones will be purchased.

PremierComm, LLC priced these phones and their installation through the state's COSTARs program. However, using some of their warehouse stock, we negotiated a rate significantly lower than the COSTARs rate. The total cost of the phones and installation is \$14,325. The Authority anticipates the telephone headsets and installation will be completed by the end of November 2015. There is a 1 year warranty on the hardware and labor.

Senator Fontana asked if there were any questions from the Board. Councilman Gilman asked Mr. Morrison how the new phones will impact the current system, since the phones that need to be replaced are original to the Center's construction. Mr. Morrison responded this was one of the reasons PremierComm offered us a large discount on the phones. The phones function on the current system, but there was an unexpected voicemail issue that had not been anticipated. Councilman Gilman agreed the upgrade is necessary.

Reverend Welch asked Mr. Morrison if we are purchasing refurbished phones or new phones. Mr. Morrison replied that most of the phones are new and 14 of the 45 phones are refurbished. Reverend Welch asked if we could get 14 new phones instead of refurbished phones at the same price. Mr. Morrison said he would ask PremierComm. Reverend Welch asked Mr. Morrison what the urgency of the upgrade was. Mr. Morrison responded they need to finish fixing a small issue with the voicemail systems on the phones. Reverend Welch confirmed he would approve the authorization. Ms. Mary Conturo confirmed she would update the Board in the next few days regarding their progress.

Senator Fontana asked if there were any additional questions or comments 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. 5362

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 PremierComm, LLC in a lump sum amount of \$14,325 for telephone handsets, equipment and installation; 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 final item on the agenda under David L. Lawrence Convention Center, a request for authorization to enter into an agreement with Dagostino Electronic Services, Inc. in a lump sum amount of \$13,151 for a security recording server replacement.

Mr. Morrison explained that the Authority updated the Convention Center's security system in 2010 installing new IP (Internet Protocol) cameras and recording servers. Two of the original seven servers are malfunctioning and need to be replaced. Dagostino has provided a quote through the state's COSTARs program in an amount of \$13,151, including installation, to replace two of the original servers with one new server, lowering our overall costs. The Authority anticipates the new life of the server will have a useful life of about 5-8 years and this includes a 5 year hardware warranty. The replacement server will be installed by the end of November 2015. There is a 1 year warranty on the labor of the server.

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. 5363

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 Dagostino Electronic Services, Inc. in a lump sum amount of \$13,151 for a security recording server 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 on to the next item on the agenda under PNC Park, a request for authorization to reimburse Pittsburgh Associates in an amount not-to-exceed \$609,119 for Phase II waterproofing, sealing and concrete repairs of the service level, riverwalk, and suite level areas, funded from the PNC Park Capital Reserve Account.

Mr. Taylor Blice explained that per the lease agreement for PNC Park, the PNC Park Capital Reserve Fund can be used for waterproofing, sealing and concrete repairs. In 2011, Martin/Martin, Inc. performed the structural assessment and noted various deficiencies. In October 2013, the SEA Board approved reimbursing Pittsburgh Associates for Wiss, Janney, Elstner Associates, Inc. to prepare construction documents to address the various sealant and concrete deficiencies throughout the ballpark.

WJE issued a Request for Qualifications in February 2014 for contractors to perform the proposed waterproofing and repair scope of work in 3 phases over 3 years with CPS Construction Group, Inc. being the lowest responsible bidder for the project. Phase I was approved on October 9, 2014 at the SEA Board meeting. The Pirates are now seeking

reimbursement for Phase II of the project. The CPS proposal for Phase II work is \$511,119. The scope of Phase II is waterproofing, sealing, expansion joint replacement, and concrete repairs of the service level, riverwalk and suite level. None of this work has been replaced previously, as it is original to the building. There were no warranties on the original work that applied. The warranty for this phase of work is a 5 year labor and material warranty on the traffic coatings, expansion joints, and joint sealants.

WJE will be performing the construction management and inspection services for Phase II in an amount not-to-exceed \$98,000 based on the agreement rates.

Senator Fontana asked if there were any questions from the Board. Councilman Gilman confirmed with Mr. Blice that the Board had approved an authorization for \$2.2 million for Phase I repairs, but that it may only end up costing \$1.8 million. Mr. Blice replied that he was correct because it is based on work accomplished. Councilman Gilman confirmed with Mr. Blice that Phase I was roughly almost \$350,000 under budget, and now we are approving Phase II at \$609,119, therefore we are going to complete both phases for our close estimated Phase I cost.

Senator Fontana asked if there were any additional questions or comments 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. 5364

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 \$609,119 for Phase II waterproofing, sealing and concrete repairs of the service level, riverwalk, and suite level areas, funded from the PNC Park Capital Reserve Account; 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 on the agenda under North Shore Parking, a request for authorization to agree to a management fee for the Operating Agreement with Alco Parking Corporation for Lot Green 21 (Lot P-1) through December 31, 2020.

Mr. Rifat Qureshi explained that Lot Green 21 (also known as Lot P-1) is located west of Heinz Field, across the street from the Allegheny light rail station. The Authority owns the lot, which consists of about 125 spaces. The lot is currently used primarily for Steelers daily employee parking, commuter monthly leases, presold Steelers and Panthers games, Pirates games, and concerts as needed.

ALCO Parking is the operator of the lot, pursuant to a management agreement that was entered into in connection with a Consent Decree governing use of parking spaces and development of the new stadiums at the North Shore. The agreement requires that the parties agree to a management fee every 5 years.

ALCO's current fee for Lot Green 21 is 3.5% of net operating revenue. ALCO also manages parking spaces in Lot 1, which is east of Heinz Field, and is subject to the management agreement, and receives 3.5% of net operating revenue for those spaces. Authority staff recommends that the Lot Green 21 fee continue at 3.5% for the next 5 years. The 3.5%

management fee is comparable to current market rates, and ALCO and the Authority have agreed to this fee. Based on 2014 net operating revenues of Lot Green 21, the 3.5% fee is about \$3,000 annually. All other terms remain unchanged, and the Authority can terminate the agreement if development occurs on the property, among other things.

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. 5365

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to agree to a management fee for the Operating Agreement with Alco Parking Corporation for Lot Green 21 (Lot P-1) through December 31, 2020; and further that the proper officers and agents of the Authority are authorized to take all action and execute such documents as are necessary and proper to effectuate the terms of this Resolution.

Senator Fontana continued on to the next item on the agenda under Lower Hill Project, a request for authorization to enter into a fixed fee change order with HDR Engineering, Inc. for final design services of the Lower Hill I-579 Urban Open Space Cap at an amount of up to \$1,754,006.

Mr. Tom Ryser explained that in February and March of 2014, a public process for selecting a designer was conducted for the I-579 Cap with HDR being recommended. The complete scope of work included the preliminary design, final design, and services during construction. In August 2014, the Board approved entering into an agreement with HDR for the preliminary design services which are now complete. This authorization is for the final design portion of the work.

Pending PennDOT's concurrence with the final price proposal for the final design, the Authority will enter into a change order with HDR. 80% of the cost of the final design will be reimbursed by the 2014 TIGER Planning Grant received by the SEA. It is expected that this final design work will take approximately 18 months to complete.

HDR's team consists of the following MBE/WBE sub-consultants: Collective Efforts, LLC for environmental/NEPA (National Environmental Policy Act) documentation; Monaloh Basin Engineers, Inc. for surveying and right-of-way work; American Geotechnical & Environmental Services, Inc. for geotechnical engineering support; A&A Consultants, Inc. for structural and geotechnical engineering support; and Santangelo & Lindsay for lighting design. This equates to approximately 23.2% MBE participation and 4.2% WBE participation.

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. 5366

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 cost plus fixed fee change order with HDR Engineering, Inc. for final design services of the Lower Hill I-579 Urban Open Space Cap at an amount of up to \$1,754,006; 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 final item on the agenda under New Business, an authorization to enter into the Federal Aid Reimbursement Agreement with the Commonwealth of Pennsylvania Department of Transportation and the City of Pittsburgh related to the construction of the intersection of Street 1 (Logan Street) and Centre Avenue.

Mr. Ryser explained that the Authority received a \$946,680 Federal Transportation Alternatives Program (TAP) Grant for intersection improvements at proposed Street 1 (Logan Street) and Centre Avenue. These improvements will consist of new sidewalks, curbs, ADA ramps, traffic and pedestrian signals, bike racks, and storm water tree boxes.

The Federal Highway Administration utilizes PennDOT to oversee and distribute these funds. Costs incurred related to the construction will be reimbursed through PennDOT. The City of Pittsburgh will be a party to this agreement because it will own and maintain these improvements once they are complete.

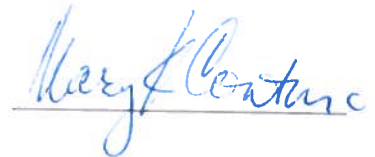
The TAP grant does not require a local match from the Authority. The final design is currently being reviewed by the City and PennDOT. We anticipate bidding the construction in the first quarter of 2016.

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. 5367

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to enter into the Federal Aid Reimbursement Agreement with the Commonwealth of Pennsylvania Department of Transportation and the City of Pittsburgh related to the construction of the intersection of Street 1 (Logan Street) and Centre 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.

Finishing new business, Senator Fontana asked if any members of the audience would like to address the Board or if there were comments from the Board Members. There being no comments or business, Senator Fontana asked for a motion to adjourn. Upon a motion duly made, seconded a unanimously carried, the meeting was adjourned at 11:01 A.M.

A handwritten signature in blue ink that reads "Mary Conturo". The signature is written in a cursive style and is positioned above a horizontal line.

Mary Conturo
Assistant Secretary