

**STADIUM AUTHORITY OF THE CITY OF PITTSBURGH**  
**BOARD MEETING**  
**THURSDAY, SEPTEMBER 26, 2013**  
**2:06 PM**

A general meeting of the Board of Directors of the Stadium Authority of the City of Pittsburgh was held on September 26, 2013, in Room 333 of the David L. Lawrence Convention Center. Board members in attendance: Michael Danovitz, Chairperson; Jim Malanos; Corey O'Connor (via telephone), and Steve Mazza, as well as Authority staff members: Mary Conturo, Douglas Straley, Rosanne Casciato, Angelica Ciranni, Rifat Qureshi and Rosemary Carroll. Also in attendance: Steve Papernick, Solicitor; Clarence Curry of CFC-3; Jason Kobeda of Pittsburgh Associates; Frederick Winkler, architect; and Mark Belko of Pittsburgh Post-Gazette.

Mr. Danovitz called the meeting to order at 2:06 PM and requested that everyone rise for the Pledge of Allegiance. Mr. Danovitz proceeded with asking Ms. Conturo for a roll call of the Board Members. A quorum was present.

Mr. Danovitz welcomed Mr. Papernick as solicitor.

The following agenda items were discussed:

1. Public Participation

Mr. Danovitz asked if any members of the public would like to speak. Seeing none, he moved to the next item on the agenda.

2. Approval of the Minutes from the meeting of June 26, 2013.

The Minutes were accepted.

3. New Business.

- A. Authorization to enter into a \$507,000 contract with Kirby Electric, Inc. for the energy efficient lighting upgrade project at the West General Robinson Street Garage.

Ms. Ciranni stated that the Board had previously approved a contract and a change order with CJL Engineering to provide a feasibility analysis for the energy efficient lighting upgrade project at the West General Robinson Street Garage. The Board also approved CJL to provide construction drawings and assist the Authority in applying for an Act 129 rebate for the project. The bid package for the project also included the Authority's Convention Center Garage and North Shore Garage. It was publicly advertised in the Pittsburgh Tribune Review and the Courier and posted on the Authority website. A non-mandatory pre-bid meeting was held on September 3<sup>rd</sup>, and seven contractors attended. On September 20<sup>th</sup>, the Authority received ten bids, and Kirby Electric provided the lowest bid at \$507,000.

The contract includes the cost for materials and installation of new LED energy-efficient fixtures, as well as a control system that will have occupancy sensors and photo cells that will increase efficiency of the system. The contract also includes occupancy sensors in the stairwells. Estimated savings are \$80,000 in annual electricity costs and \$11,000 in annual maintenance costs. With those savings, and with the expected Act 129 rebate, the estimated payback period for the project will be 3.14 years.

The fixtures that will be used have been reviewed by the Authority staff, ALCO Parking, SMG, and CJL to ensure that the lighting levels are appropriate. The fixtures come with a 10-year warranty. The current fixtures will be recycled or reused. There is 41.4% MBE participation on the project, which has been reviewed and approved by the Authority's Senior Diversity Coordinator. Funding for the project will come from the garage's capital budget.

Mr. Malanos commented that he had studied the material and attended the meeting, and thought the staff had performed excellent work. He said that the Authority would be saving money energy and maintenance-wise due to the extended life of LEDs. Mr. Malanos said that saving money on maintenance and the Act 129 rebate is good, and a payback period of three years for a lighting retrofit is also considered to be ideal. He stated that the controls package on top of that would allow the Authority to reduce the light levels when areas of the garage are unoccupied.

A motion to approve was made, seconded, and carried.

#### **RESOLUTION NO. 9 (2013)**

RESOLVED, by the Stadium Authority of the City of Pittsburgh and its Executive Director and other proper officers are authorized to enter into a \$507,000 contract with Kirby Electric, Inc. for the energy efficient lighting upgrade project at the West General Robinson Street Garage; 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.

- B. Authorization to enter into a lease agreement with Pittsburgh SMSA Limited Partnership d/b/a Verizon Wireless for the installation of wireless equipment and antenna arrays.

Mr. Straley stated that in 2010, the Authority entered into an agreement with AT&T to install wireless antennas on the West General Robinson Street Garage. In the past three years, the Authority has been satisfied with the aesthetic aspect. Patrons are not aware of the antenna because of the covering used on the installation.

Last year, Verizon Wireless approached the Authority about enhancing their wireless coverage and capacity on the North Shore by installing antennas on the West General Robinson Street Garage. Verizon gave the Authority \$5,000 and paid for the Authority's consultant fees to determine the feasibility. The analysis was completed and Verizon is now proposing three locations for antenna arrays on the west, east, and south facades of the garage. The equipment

utilized for supporting the arrays will be housed on the ninth floor, and will not take up any parking spaces. The Authority hired Walker Parking Consultants, who was the original structural engineer of record, to review all of the drawings and approve of the plans. Verizon will pay all the installation costs, as well as any operating costs such as electric usage. The payments for this agreement will be made in annual installments. For the initial term of 10 years, the payment will be \$458,555. There are also two five-year extensions to the contract in addition to the initial term.

Mr. Danovitz asked Mr. Straley if the \$458,555 was over the period of the ten year term. Mr. Straley confirmed and added that it has an escalation rate.

Mr. Danovitz commented that this project is another job well done by the Authority staff. He stated that they had talked about the financial benefit of AT&T with no cost impact to the Authority. Aesthetically, it is barely noticeable and is a great way to continue generating revenue on the garage. Mr. Danovitz hoped to get Sprint next and house all of the carriers.

A motion to approve was made, seconded, and carried. Mr. Danovitz specified that when he had said Verizon, he meant Pittsburgh SMSA Limited Partnership, who is doing business as Verizon.

#### **RESOLUTION NO. 10 (2013)**

RESOLVED by the Board of the Stadium Authority of the City of Pittsburgh that its Executive Director and other proper officers are authorized to enter into a lease agreement with Pittsburgh SMSA Limited Partnership d/b/a Verizon Wireless for the installation of wireless equipment and antenna arrays; 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.

- C. Authorization to enter into a three-year license extension with West Penn Allegheny Health System for the use of 750 parking spaces in the West General Robinson Street Garage.

Mr. Straley stated that in 2007, the Authority entered into an agreement with Allegheny General Hospital to provide parking for their employees at the West General Robinson Street Garage. AGH then provides a shuttle for their employees from the garage to the hospital. The employees have used between 658 and 850 spaces in the past, and this three-year extension of the agreement covers 750 spaces. The monthly payment for the first year of the agreement is \$82,500. For the second year, the payment will be \$90,000 per month; and the third year is \$97,500 per month. Any additional spaces used over the 750 allocated spaces will be paid at market rate for a lease. This agreement only includes daily parking. Evening Pirates games and weekend Steelers and University of Pittsburgh football games are not included.

A motion to approve was made, seconded, and carried.

### **RESOLUTION NO. 11 (2013)**

RESOLVED by the Board of the Stadium Authority of the City of Pittsburgh that its Executive Director and other proper officers are authorized to enter into a three-year license extension with West Penn Allegheny Health System for the use of 750 parking spaces in the West General Robinson Street Garage; 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.

D. Approval of the Stadium Authority audit as of March 31, 2013.

Ms. Bissell stated that the Stadium Authority audit was completed by McGee, Maruca and Associates on July 15, 2013 with an unqualified unclaimed opinion. There were no significant deficiencies, findings, or questioned costs relating to the audit, and therefore no management letter was issued. Changes to note include a decrease in the net fixed assets due to depreciation, an increase in restricted cash due to refinancing of the loans for the West General Robinson Street Garage, an increase in parking revenues as a result of the LRT and an increase in other receivables due to pledged lot revenue to be received from the Sports & Exhibition Authority. A single audit was not required in 2013.

Mr. Danovitz asked Ms. Bissell if the audit is posted to the Authority's website. Ms. Bissell confirmed that it is. Mr. Danovitz informed the audience that anyone interested in the audit could view it on the Authority's website. Mr. Danovitz stated that he attended the audit meeting and acknowledged that the books were in very good order. He commended the staff and stressed the importance of unqualified opinions without any comments from the auditor, and expressed his appreciation.

A motion to approve was made, seconded, and carried.

### **RESOLUTION NO. 12 (2013)**

RESOLVED by the Board of the Stadium Authority of the City of Pittsburgh that its Executive Director and other proper officers are authorized to approve the Stadium Authority audit as of March 31, 2013; 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.

- E. Authorization to extend the term of existence of the Stadium Authority of the City of Pittsburgh.

Ms. Carroll stated that this resolution calls for an extension of the term of existence for the Stadium Authority for a period of 15 years until December 31, 2028. She stated that the Board Members were given a resolution authorizing each step required for the extension of the term of existence. The Stadium Authority of the City of Pittsburgh was organized by the Council of the City of Pittsburgh effective March 9, 1964, in compliance with the requirements of the Public Auditorium Authority's law, which is now re-codified as the Sports & Exhibition Authority Act. The 50-year term of existence of the Authority is due to expire on March 9, 2014. The basic assets of the Authority are the developable land between Heinz Field and PNC Park, the West General Robinson Street Garage, and the lease of surface parking from PennDOT. The Authority has outstanding debt obligations secured by its assets of approximately \$18 million. The Sports & Exhibition Authority provides the staff for the Stadium Authority, and the Stadium Authority pays the SEA approximately \$48,000 per year. Other operating costs consist of the cost of insurance and the necessary professional fees such as legal and audit fees. Section 5504A of the Sports & Exhibition Authority Act provides the manner in which the Authority may amend its articles of incorporation in order to increase the term of existence. The amended term will be until December 31, 2028. The following steps are required to effect the amendment: a resolution of this Board of Directors authorizing the extension, a resolution of the City of Pittsburgh Council authorizing the extension, an advertisement, and then the filing of Articles of Amendment with the Secretary of Commonwealth.

Mr. Danovitz stated it was good practice to get the administrative aspect completed now rather than waiting until a future date. He read the resolution and made a motion.

The motion was seconded, and carried.

#### **RESOLUTION NO. 13 (2013)**

RESOLVED by the Board of the Stadium Authority of the City of Pittsburgh that the term of existence of the Stadium Authority of the City of Pittsburgh shall be extended for a period of fifteen (15) years until December 31, 2028 and the attached resolution is adopted authorizing the Executive Director and other proper officers to take all actions necessary or appropriate to extend to the term of existence by amending the Articles of Incorporation of the Authority.

#### 4. Public Participation.

Mr. Danovitz asked if there were any comments from the public. Hearing none, he asked for a motion to adjourn. The motion was seconded and unanimously carried.

The meeting was adjourned at 2:21 PM.