

MINUTES OF THE MEETING
OF THE BOARD OF THE
SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH
AND ALLEGHENY COUNTY
HELD FRIDAY, DECEMBER 28, 2012
AT THE DAVID L. LAWRENCE CONVENTION CENTER
PITTSBURGH, PENNSYLVANIA
COMMENCING AT 10:34 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 of the David L. Lawrence Convention Center in Pittsburgh, PA 15222, on Friday, December 28, 2012, commencing at 10:34 A.M. E.S.T.

Members of the Authority

Present: Senator Fontana, Chairman
Michael Dunleavy, Vice-Chairman
Sean Logan, Secretary
Anthony Ross, Treasurer (via telephone)
Councilwoman Darlene Harris, Member
Sala Udin, Member
James Ellenbogen, Member

Absent: None

Also Present: Mary Conturo, Doug Straley, Rosanne Casciato, Taylor Blice, Steven Morrison, Theresa Bissell, and Michelle Masters of the Authority; Mark Leahy of SMG; Tom Ryser of TPR, LLC; Jason Kobeda and Chris Hunter of Pittsburgh Associates; Matthew Goldstein and Scott Pollock of Oxford Development Company; Austin Davis of the County Executive's Office; Frederick Winkler, architect; Mary Malanos; Jeremy Boren of Pittsburgh Tribune-Review; and Mark Belko of Pittsburgh Post-Gazette

Senator Fontana called the meeting to order with the Pledge of Allegiance, followed by a roll call of the Board Members.

Beginning with public participation, Senator Fontana asked if any members of the audience would like to address the Board. Hearing none, the meeting continued with the

approval of minutes from the meeting of November 8, 2012. A motion was made, seconded, and unanimously approved.

Senator Fontana began addressing new business with the first item on the agenda, a request for authorization to issue a \$63,473 change order to Suburban Maintenance and Construction for building envelope repairs.

Mr. Goldstein stated that on August 3, 2012, bid documents prepared by THP Limited were issued for public bidding for building envelope leak repairs at the Convention Center. On September 13, 2012, Suburban Maintenance and Construction was approved by the Board for those selective repairs. After Suburban removed the concrete, various unforeseen construction details and field conditions were uncovered that required immediate modification in order to provide a complete repair. Pricing for this additional work was derived from the unit pricing provided in the original bid submission. The modification design and cost for the implementation were detailed and evaluated by THP, the design engineer. The daily construction activities were monitored and documented by a third party inspector from A&A Consultants. The changes that encompass the request include the replacement of additional waterproofing materials, concrete crack repairs and small repairs, exterior caulking and urethane membrane installation, new roof flashing and coping at various areas, and roof drain repairs. The change order total is \$75,473, but an unused \$12,000 allowance in the base contract is being applied as credit.

After asking for questions and hearing none, Senator Fontana asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5112

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to issue a \$63,473 change order to Suburban Maintenance and Construction for building envelope repairs; 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 an \$8,553 change order to THP Limited, Inc. for design and construction administration services associated with the building envelope repairs.

Mr. Goldstein said that the change order consisted of two components. The first portion is for \$3,913 to cover additional design services associated with building envelope repairs. During the repairs, there were numerous field conditions that required added design, detailing, and review by THP. The work was tracked on an hourly basis and was derived from the approved hourly rates submitted in their initial proposal. The second component is a \$4,640 not to exceed amount for design and engineering services associated with planning for additional anticipated building envelope repairs that will be tracked with the approved hourly rates.

After asking for questions and hearing none, Senator Fontana asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5113

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to issue an \$8,553 change order to THP Limited, Inc. for design and construction administration services associated with the building envelope repairs; 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, a request for authorization to issue a \$15,482 final change order to Miller Electric for attic stock light fixtures for the water feature lighting and additional wire and piping installation for the water feature security system.

Mr. Goldstein stated that Miller Electric was the low bidder on the project. They were awarded the project in May and completed installation in November. The final project change order is broken into two parts. The first part is to acquire two attic stock light fixtures and an additional controller for building operations to have spares on site for future maintenance. The second part of the change order is for the installation of conduit piping and wiring for a code blue station and security cameras located by the water feature pedestrian bridge.

After asking for questions and hearing none, Senator Fontana asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5114

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to issue a \$15,482 final change order to Miller Electric for attic stock light fixtures for the water feature lighting and additional wire and piping installation for the water feature security system; 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, a request for authorization enter into a five-year parking license with IA Lodging Pittsburgh Penn TRS DST for the 10th Street and Penn Avenue parking lot.

Mr. Straley stated that in 2002, the Authority sold property to the developer to build the Courtyard by Marriot, which is located on Penn Avenue. As part of this transaction, the ownership required Marriot to secure the 10th Street and Penn Lot for 50 additional parking spaces. The Authority entered an agreement to do so through 2012. This board action would extend that agreement for another five years and would increase both the monthly and event rates for those 50 spaces. Currently, it comes to \$300 per space, per month, and would increase based on whatever action the overall garage takes for their monthly lease rates for both daily and event parking. This agreement goes through December 31, 2017.

After asking for questions and hearing none, Senator Fontana asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5115

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized enter into a five-year parking license with IA Lodging Pittsburgh Penn TRS DST for the 10th Street and Penn Avenue parking lot; 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 enter into a not to exceed \$23,500 contract with Wiss, Janney, Elstner Associates, Inc. to perform the 2012 structural condition assessment.

Mr. Straley explained that Wiss, Janney, Elstner has provided the last two structural assessments for the Convention Center, and that this contract would be for the assessment currently due. WJE would perform this work starting in January, and that it would take

approximately a week to complete plus time to put together a report on their findings for the Authority.

After asking for questions and hearing none, Senator Fontana asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5116

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 not to exceed \$23,500 contract with Wiss, Janney, Elstner Associates, Inc. to perform the 2012 structural condition assessment; 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 an \$8,918 change order to Dagostino Electronic Services for an additional card-access door and camera, and an upgrade to four building doors.

Mr. Morrison explained that in 2010, the Authority entered into a contract with Dagostino Electric for a new security system. This is a change order for that system. Due to various building changes, it was determined that there was a need for additional card-access door and camera in the garage and an update for four additional doors. The total cost for these changes is \$8,918.

After asking for questions and hearing none, Senator Fontana asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5117

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to issue an \$8,918 change order to Dagostino Electronic Services for an additional card-access door and camera, and upgrade to four building doors; 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 increase by \$47,320 authorization to Oxford Development Company for additional owner's representative project management services related to ongoing capital improvement projects to be billed at hourly rates.

Mr. Leahy stated that over the past year, SMG has been working very closely with Oxford Development as a supplement to the staff, particularly on the green roof replacement, the HVAC repairs and modification, and the 10th Street Water Feature lighting changes. There is currently a vacancy in the Director of Engineering position at the Convention Center, and there are ongoing projects. It would be beneficial to retain Oxford Development to work on the building automation system, cable leaking, and structural repairs catwalk safety systems. It is anticipated that these projects would take about six months to complete. Oxford would provide work through the end of June and would be billed on an hourly basis. The two principals involved would be Mike Barnard and Matt Goldstein. Both have worked extensively with Authority staff on Convention Center projects in the past couple of years.

After asking for questions and hearing none, Senator Fontana asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5118

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to increase by \$47,320 authorization to Oxford Development Company for additional owner's representative project management services related to ongoing capital improvement projects to be billed at hourly rates; 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 final \$41,346 change order to Noralco Corporation for utility relocation, guiderail installation, and other miscellaneous work related to the completion and turnover of the interim parking lot on the former site of the Civic Arena.

Mr. Pollock stated that in June 2012, Noralco was approved to construct the interim parking lot at the former Civic Arena site, which included a grading, paving installation, site lighting, and sub-surface drainage. Upon completion, it was determined that additional guide rail and line striping to secure the perimeter around the lot was needed. Most of the guide rail was repurposed from the North Shore parking area. Additional light pole base painting, interior wedge curb to improve visibility, fire hydrants, and re-circuiting of the lights were necessary. This is the final change order to Noralco.

After asking for questions and hearing none, Senator Fontana asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5119

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to issue a final \$41,346 change

order to Noralco Corporation for utility relocation, guiderail installation, and other miscellaneous work related to the completion and turnover of the interim parking lot on the former site of the Civic Arena; 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 enter into a Development Agreement with the Pittsburgh Water and Sewer Authority with a Joinder by the Urban Redevelopment Authority and to pay permitting fees related to the contemplated water and sewer improvements.

Mr. Ryser said that the Authority was in the process of designing the infrastructure related to the Lower Hill Redevelopment site. The design includes sanitary, storm, and water lines. The Authority intends to design and construct the improvements in accordance with PWSA's standards and policies so that the improvements can become part of the public water and sewer facilities that are operated by PWSA. In order for this to occur, PWSA's procedure manual requires the responsible party to enter into a development agreement, which will govern the process of PWSA's review of the design, inspection of the construction, and eventual acceptance of the improvements. This resolution authorizes Authority's entering into a development agreement with PWSA. Also, as part of this phase of the project, there is the need to apply for certain permits. These permits would include, but not be limited to, a sewer facilities planning module, NPDES permits, and E&S permits.

After asking for questions and hearing none, Senator Fontana asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5120

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 Development Agreement with the Pittsburgh Water and Sewer Authority with a Joinder by the Urban Redevelopment Authority and to pay permitting fees related to the contemplated water and sewer improvements; 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 increase by \$85,951 authorization with Oxford Development Company for additional SEA owner's representative services to be billed at hourly rates.

Mr. Straley explained that Oxford has been working closely with Authority staff on the redevelopment of the area of the former Civic Arena. This authorization assists in the finalization of all the development documents for the 28 acres, which includes the Option Agreement, Preliminary Land Development Plan, Special Planned District Zoning Text, and other related documents. The second item is related to the Lower Hill infrastructure preliminary design. Because of their involvement with the demolition of the former Civic Arena, Oxford is able to provide the needed assistance related to archeological, geotechnical, and environmental information on the site. The primary Oxford staff for this would be Scott Pollock as the Project Director and Mike Barnard as the Project Manager. The project will be paid hourly at the rates per their proposal. Included in the authorization is an allowance for reimbursable expenses up to \$5,000.

After asking for questions and hearing none, Senator Fontana asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5121

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to increase by \$85,951 authorization with Oxford Development Company for additional SEA owner's representative services to be billed at hourly rates; 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 enter into an \$8,500 contract with Pine Environmental Services to upgrade the safety system at the water steps.

Mr. Blice stated that the North Shore water feature is adjacent to its mechanical room, which has two levels. The Authority desires to purchase a safety davit system; one hoist placed at the top of the cistern ladder and one placed at the top of the mechanical room ladder. This would hoist someone out of the rooms in an emergency, and was recommended by Constellation Energy. The Authority and Constellation Energy solicited three bids from Granger, Michigan Safety Products, and Pine Environmental. Pine Environmental was the lowest bidder. This would be funded from the 2013 North Shore Riverfront Park Operating Budget.

After asking for questions and hearing none, Senator Fontana asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5122

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 \$8,500 contract with Pine Environmental Services to upgrade the safety system at the water steps; 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 reimburse PSSI Stadium Corporation \$59,040 from the Heinz Field Capital Reserve Fund for metal deck repairs and painting of the southeastern ramp metal deck and structural steel.

Mr. Blice explained that the Heinz Field lease between PSSI Stadium Corp. and the Authority requires that several items be performed, including periodic facility inspections and assessments, routine maintenance, and when necessary, capital repairs. The lease provides that qualifying capital repairs be paid from the capital reserve fund maintained by the Authority. On April 12, 2012, the Board approved reimbursing PSSI for Phase III of a three-year-plan to repair and paint the ramps at Heinz Field. Phase III scope included work done on the southeastern ramp in the amount of \$323,533. The work included addressing the metal deck corrosion and the paint peel on the structural steel components. Chronicle Consulting and the Authority believe that the requested areas were in need of painting. During this phase, it was determined that additional powerwashing and surface preparation by hand, which would ensure the proper bonding of the new paint coat, was necessary. The total cost to complete the coat is \$59,040. The reimbursement will be funded by the Heinz Field Capital Reserve Fund, after which the capital balance will be \$4,404,000.

After asking for questions and hearing none, Senator Fontana asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5123

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and

other proper officers are authorized to reimburse PSSI Stadium Corporation \$59,040 from the Heinz Field Capital Reserve Fund for metal deck repairs and painting of the southeastern ramp metal deck and structural steel; 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 reimburse Pittsburgh Associates LP an amount not to exceed \$154,550 for the final phase of the painting and carpet replacement project.

Mr. Blice explained that as part of the three-year plan, the Pirates have phased painting and carpet improvements at PNC Park. For the final phase, Pittsburgh Associates have requested that the second and fourth floors be repainted and the carpet be replaced. Per the terms of the lease agreement, the team pays for routine operations and maintenance costs while eligible capital expenses are funded from the PNC Park Capital Reserve Fund. The Authority conducts an annual facility inspection and audit, and Chronicle Consulting, a third party consulting firm, has recommended these projects as needed and prudent. All the phases of these projects were competitively bid in 2007 and awarded to the lowest bidder. The Pirates are requesting to issue a change order to Spector for the carpeting work and a change order to Avalotis for the painting work. The carpet is 100% synthetic with a 15 year warranty and the paint is 0% VOC. The total for these change orders is not to exceed \$154,550. The project will be funded from the capital reserve fund for PNC Park.

After asking for questions and hearing none, Senator Fontana asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5124

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 LP an amount not to exceed \$154,550 for the final phase of the painting and carpet replacement project; 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 enter into an agreement with MaherDuessel for audit services for the period ended December 31, 2012 at a price not to exceed \$36,000.

Ms. Bissell stated that in 2011, the Authority staff and the audit review committee went through the RFP process and awarded audit services to MaherDuessel. The agreement is for auditing services for three years with the option to extend for two additional one-year periods. This agreement was approved at the October 2011 Board Meeting. 2012 is the second year of the agreement. \$36,000 is the fee for the annual audit with one half of the audit cost funded through the Convention Center Operating Budget and the balance through the Authority Operating Budget.

After asking for questions and hearing none, Senator Fontana asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5125

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 MaherDuessel for audit services for the period ended December 31, 2012 at a price not to exceed \$36,000; 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 approval of the 2013 Sports & Exhibition Authority Operating Budget.

Ms. Casciato explained that the 2013 Operating Budget is a balanced budget. Total revenues and expenses are each \$13.5M. The budget is broken into two parts: Convention Center and Other Operations. The total revenue for the Convention Center is \$11.236M and expenses are \$11.297M. The total revenues for Other Operations is \$2.310M and total expenses are \$2.249M. The operations and debt related to the North Shore Garage, North Shore Riverfront Park, and all capital projects are budgeted separately.

After asking for questions and hearing none, Senator Fontana asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5126

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to accept the proposed 2013 Sports & Exhibition Authority Operating Budget; 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 acceptance of the schedule for regular Sports & Exhibition Authority Board meeting for calendar year 2013.

Ms. Conturo stated that the proposal is for meetings for next year continue to be on the second Thursday of the month at 10:30 am. She stated that the schedule with the exact dates was attached.

After asking for questions and hearing none, Senator Fontana asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5127

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to accept the schedule for regular Sports & Exhibition Authority Board meetings for calendar year 2013; 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 comment on the agenda. Hearing none, Senator Fontana asked if there were comments from Board Members.

There being no 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 10:56 A.M.



Sean Logan
Secretary