

MINUTES OF THE MEETING
OF THE BOARD OF THE
SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH
AND ALLEGHENY COUNTY
HELD THURSDAY, DECEMBER 12, 2013
AT THE DAVID L. LAWRENCE CONVENTION CENTER
PITTSBURGH, PENNSYLVANIA
COMMENCING AT 10:37 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 Thursday, December 12, 2013, commencing at 10:37 A.M. E.S.T.

Members of the Authority

Present: Senator Fontana, Chairman
Anthony Ross, Treasurer
Sala Udin, Member
Paul McKrell, Member
Councilwoman Darlene Harris, Member

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

Also Present: Mary Conturo, Doug Straley, Rosanne Casciato, Rosemary Carroll, Taylor Blice, Theresa Bissell, Angelica Ciranni and Michelle Masters of the Authority; Ryan Buries, Conor McGarvey, Eileen Letson, Tim Muldoon, and Linda Mihalic of SMG; JJ McGraw of Pittsburgh Associates; Scott Wivell of Hill International; Ciara Chic of Cosmos Technologies; Frederick Winkler, architect; and Michael Hitael, citizen

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 14, 2013. 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 enter into a \$34,789 contract with PennWest Industrial Trucks, LLC to purchase a platform lift, and to enter into a \$137,400 contract with United Rentals, Inc. to purchase two boom lifts.

Ms. Mihalic stated that the aerial lifts at the Convention Center are aging and that there is a large amount of ongoing work that requires the need for lifts. Upon review of the inventory with operations staff, it was determined that purchasing three additional lifts would provide the necessary equipment to help streamline show setups, among other things. Additionally, there can be opportunities to create revenue by renting the new equipment to show decorators and to save costs on capital projects by providing the lifts to contractors who will no longer need to rent them and charge the project. All three lifts use electric power, which is favorable for indoor air quality and for the Convention Center's LEED sustainability practices. The project was publicly bid and advertised in the Tribune Review, Pittsburgh Courier, and on the Authority's website. Three bids were received on December 2, 2013. PennWest Industrial Trucks was the lowest bidder for the platform lift, and United Rentals was the lowest bidder for the boom lifts. SMG also recommends selling the existing 45' boom lift which has over 3,000 hours of operation and would require repairs in order to remain in service. In its current condition, the estimated value of the lift is less than \$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. 5191

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 \$34,789 contract with PennWest Industrial Trucks, LLC to purchase a platform lift, and to enter into a \$137,400 contract with United Rentals, Inc. to purchase two boom lifts; and further that the proper officers and agents of the Authority are authorized and directed to take all action and execute such documents as are related and proper to effectuate the terms of this Resolution.

Senator Fontana introduced the next item, which was a request for authorization to enter into a three-year contract (\$422,888 for 2014, \$437,256 for 2015 and \$452,114 for 2016) with Veolia Water North America – Northeast, LLC for the operation of the chilled water plant and wastewater treatment plant, with the option for two one-year extensions.

Ms. Ciranni explained that the chilled water plant was originally operated by Noresco under a long term service agreement. In 2010, the Authority exercised the option to buy the capital costs of the plant. At the same time, Xenon was operating the waste water treatment plant and had decided to terminate that agreement. In 2010, the Authority went through a public request for proposal process to find a new operator for both of the plants. Constellation was awarded that three-year contract, which terminates on December 31, 2013.

For this contract, the Authority publicly issued an RFP to operate both plants on October 4th and held a non-mandatory proposal meeting on October 11th with approximately nine firms in attendance. On October 31st, the Authority received two combined proposals for the chilled water and the waste water plants. Veolia provided the lowest cost proposal. A selection committee was formed to evaluate the proposals. It consisted of Authority and SMG staff, and Clarence Curry, the diversity coordinator for the Authority. The committee decided to only interview Veolia because of the significant difference in cost between the two proposals. Based

on the information in the proposal and subsequent information from the interview and after the interview, the committee is recommending moving forward with Veolia. The scope of work for the contract includes all services required to maintain both plants in first-class operating condition. Veolia will meet with the Authority and SMG to ensure that all building needs are being met. The pricing for the contract also includes hiring a second steamfitter to assist with onsite operations. The scope also includes the operations and maintenance of the water steps at North Shore Riverfront Park, which is similar to Constellation's agreement. The pricing reflects both a base management fee and a "Limit Account" fee. The base management fee is for typical management items while the Limit Account is for unknown maintenance fees. Veolia will be required to provide the Authority with backup information on the Limit Account. If the Authority does not use all the money in the account, it can be rolled over to the next year or reimbursed to the Authority. The Limit Account is included in the numbers that were previously mentioned.

Senator asked for questions and Mr. Udin stated that Veolia's actual MBE/WBE commitment is unclear to him. He acknowledged that it was approved by the Diversity Coordinator, and asked to be kept abreast of how minorities and women will be included in the project.

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. 5192

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

contract (\$422,888 for 2014, \$437,256 for 2015 and \$452,114 for 2016), which includes a limit account of up to \$25,750 for 2014, \$26,514 for 2015, and \$27,300 for 2016 for repair and maintenance costs, with Veolia Water North America – Northeast, LLC for the operation of the chilled water plant and wastewater treatment plant, with the option for two one-year extensions; 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 to ratify the exercise of the option to extend the internet/telecommunications service provider agreement with Smart City Networks for two additional years.

Mr. Muldoon stated that in 2009, the Authority approved the internet/telecommunications service provider agreement with Smart City Networks as an exclusive telecommunications provider in charge of internet, telephone, and technical services for events and users of the Convention Center. The contract was for a three-year term with an option to extend for an additional two-year term. This authorization would be to ratify the two-year extension option to December 31, 2014. When the contract is extended, the Convention Center will receive a \$10,000 signing bonus. SMG and Smart City agree that the terms and the conditions of the contract will remain the same throughout the new period. The overall feedback from the Authority's Director of Information Systems and SMG's operations and event staff with respect to Smart City's performance has been positive. SMG has found Smart City to be knowledgeable and responsive when dealing with the Convention Center's customers. Also, a review of the last 12 months of customer surveys has been positive. By extending the Smart City contract to December 31, 2014, SMG and the Authority's Director of Information Systems will have enough time to create a thorough review of available technology and allow for an opportunity to examine

alternative service models being utilized in the industry. These steps will insure that a comprehensive RFP is developed by the end of 2014.

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. 5193

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to ratify the exercise of the option to extend the internet/telecommunications service provider agreement with Smart City Networks 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, a request for authorization to reimburse PSSI Stadium Corporation an amount not-to-exceed \$859,312 for structural steel painting and related inspection services.

Mr. Blice stated that PSSI has submitted a capital request for a four phase interval structural steel painting project beginning in 2014. This authorization is for Phase I, which includes painting of the structural steel of the east side of the stadium on levels one through eight, the five hundred level light fixtures, and the east club. PSSI solicited three bids, with Avalotis Corporation being the lowest bidder in the amount not-to-exceed \$774,285.

In addition, an inspection firm will be employed to provide quality assurance services such as ensuring that the painting contractor meets the specification requirements. This work will be performed by KTA-Tator Incorporated at a cost of not-to-exceed \$85,027. Authority staff has

reviewed the request and concurs that all work is prudent and recommends that PSSI Stadium Corp. be reimbursed in the amount not-to-exceed \$859,312.

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. 5194

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 an amount not-to-exceed \$859,312 from the Heinz Field Capital Reserve Fund for structural steel painting and related inspection services; 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 enter into a not-to-exceed \$50,000 contract with Anthony James Partners, LLC for technology consultant services.

There is a significant amount of technology throughout the Authority's facilities, and to better understand the systems, the Authority is requesting authorization to engage the services of a technology consultant. The consultant will perform various tasks such as reviewing existing conditions and providing recommendations. The consulting contractor agreement will be for a two-year term on an as-needed basis in the amount of not-to-exceed \$50,000.

The RFP was advertised in the Tribune Review, the Courier, Dodge Reports and on the Authority website and the Pittsburgh Builders Exchange. Proposals were received and reviewed by an Authority staff committee and references were contacted. The committee recommends moving forward with Anthony James Partners, LLC in the amount not-to-exceed \$50,000.

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. 5195

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 \$50,000 contract with Anthony James Partners, LLC for technology consultant services; 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 three-year agreement with ALCO Parking Corporation for parking management services for the David L Lawrence Convention Center Garage and 10th and Penn Lots at a price of \$24,000 per year, and the for the North Shore Garage at a price of \$36,000 per year, with the option to extend an additional two years for both facilities.

Mr. Straley explained that ALCO Parking has operated both the North Shore Garage since 2001 and the Convention Center Garage since 2003. Those agreements both terminate on December 31, 2013. In August, the Authority issued a request for proposals for parking management services. The RFP was advertised in the Pittsburgh Tribune Review, Pittsburgh Courier, and on the Authority's website. A pre-proposal meeting was held on August 27th, with seven companies attending. The Authority received four proposals, and all four firms were interviewed on October 10th by a committee consisting of Tony Ross, Rosanne Casciato, Clarence Curry, Doug Straley, and Conor McGarvey. Based on the committee's review of the proposals and the interviews; the evaluation of all four firms; and on the RFP criteria: fee,

experience, the technical proposal, resources and capability, the organization and management and the MBE/WBE utilization; it was recommended by the committee that ALCO Parking continue to operate and maintain both garages.

The fee proposed to the Authority is a fixed fee with no incentive fee. This results in a savings of approximately \$30,000 at the North Shore Garage from what the Authority is currently paying and \$60,000 at the Convention Center Garage from what the Authority is currently paying. In total, the Authority will save approximately \$90,000 for these services. ALCO is bidding the security services for the North Shore Garage and the West General Robinson Street Garage to gain additional minority participation. Likewise, ALCO is contacting an MBE/WBE cleaning service provider for the garage and is currently reviewing that proposal. Also, semi-annual meetings with the technology provider for the facilities will be held to determine if there is any new technology that could benefit the efficiency of the Authority's facilities. ALCO will also conduct bi-monthly surprise visits to each facility to determine the cleanliness and other operational issues and to provide an evaluation.

Mr. Udin said that it remains unclear as to what extent of MBE/WBE participation that ALCO plans to include. He asked to be kept abreast of the outcome, and stated that he would like to be informed of ALCO's previous participation.

Mr. Straley agreed to provide Mr. Udin with the requested information.

After asking for more 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. 5196

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 agreement with ALCO Parking Corporation for parking management services for the David L Lawrence Convention Center Garage and 10th and Penn Lots at a price of \$24,000 per year, and for the North Shore Garage at a price of \$36,000 per year, with the option to extend an additional two 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 not-to-exceed \$43,240 change order to CFC-3 Management Services, Clarence Curry, for additional MBE/WBE oversight through December 31, 2014.

Mr. Straley stated that Mr. Curry has served as the Authority's Senior Diversity Coordinator for the past six years. He reviews the ongoing MBE/WBE components with the Authority's contracts and various projects, as well as maintaining relationships with the Authority and the local MBE/WBE stakeholders. This contract would pay a fixed fee of \$3,520 per month and have an allowance of \$1,000 for expenses, which will be billed on actual cost. If the expenses are not utilized, there will be no reimbursement. Mr. Curry will be focusing throughout the year on the professional and construction proposals received and monitored at the structural development at the Lower Hill site, as well as the ongoing formal and informal discussions with the Penguins development team, City and County officials, and community stakeholders regarding the Lower Hill site, coordination with the EORC staff regarding implementation of new legislation impacting MBE/WBE reporting requirements, and diversity coordination services for contracting and maintenance work at all Authority facilities.

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. 5197

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to issue a not-to-exceed \$43,240 change order to CFC-3 Management Services, Clarence Curry, for additional MBE/WBE oversight through December 31, 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.

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, 2013 at a price not-to-exceed \$37,300.

Ms. Bissell stated that in 2011, the Authority staff and audit review committee went through the RFP process and awarded the 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. 2013 is the third year of the agreement. \$37,300 is the fee for the annual audit. No single audit is required for 2013. MaherDuessel has committed 13% MBE participation with Exlco, Inc.

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. 5198

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, 2013 at a price not to exceed \$37,300; 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 accept the 2014 Sports & Exhibition Authority Operating Budget.

Ms. Casciato stated that the Operating Budget for the Convention Center and the Authority is a balanced budget and totals \$14.2 million. The total revenues and expenses for the Convention Center are each \$11.66 million. The total revenues and expenses for other operations are each \$2.56 million. The operations and debt related to North Shore Garage, North Shore Riverfront Park, parking lots and all capital projects are separately budgeted.

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. 5199

RESOLVED that the attached 2014 Operating and Capital budgets of the Sports & Exhibition Authority of Pittsburgh are hereby approved; 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 setting the schedule for regular Sports & Exhibition Authority Board meetings for calendar year 2014.

Ms. Conturo stated that the schedule provides for the regular meetings for the Board on the second Thursday of the month at 10:30 in the morning at the Convention Center.

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. 5200

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 2014; 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.

Councilwoman Harris wished everyone a Merry Christmas and Happy Holidays. Mr. Udin extended his gratitude to Authority staff for its diligence. The staff, especially under the leadership of Ms. Conturo, Mr. Udin stated, deserve appreciation at the end of the year. Senator Fontana thanked Mr. Udin, and wished everyone Happy Holidays.

Senator Fontana then asked for a motion to adjourn. Upon a motion duly made, seconded and unanimously carried, the meeting was adjourned at 10:58 AM.



Mary K. Conturo
Assistant Secretary

