

MINUTES OF THE MEETING
OF THE BOARD OF THE
SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH
AND ALLEGHENY COUNTY
HELD THURSDAY, JUNE 14, 2012
AT THE DAVID L. LAWRENCE CONVENTION CENTER
PITTSBURGH, PENNSYLVANIA
COMMENCING AT 10:49 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, June 14, 2012, commencing at 10:49 A.M. E.S.T.

Members of the Authority

Present: Senator Fontana, Chairman
Michael Dunleavy, Vice-Chairman
Sala Udin, Member
Anthony Ross, Treasurer
Councilwoman Darlene Harris, Member

Absent: Sean Logan, Secretary
James Ellenbogen, Member

Also Present: Mary Conturo, Doug Straley, Rosanne Casciato, Rosemary Carroll, Mark Johnson, Theresa Bissell, Rifat Qureshi, Angelica Ciranni, Michelle Masters, of the Authority; Greg Miller of Buchanan Ingersoll and Rooney; Tim Mangis, Ryan Buries, Kevin Fonner, Conor McGarvey and Mark Leahy of SMG; Clarence Curry of CFC-3 Management Services; Mike Barnard of Oxford Development Company; Mark Hart of PSSI; Jason Kobeda of Pittsburgh Associates; Mark McCall of TJ&S; Dan Smith of Smith Insurance; Eric Hagarty of County Executive's Office; Frederick Winkler, architect; Jeremy Boren of Pittsburgh Tribune-Review; 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. A quorum was present, with one vacancy on the Board.

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 on May 10, 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 amend the Long Term Steam Use Agreement with Pittsburgh Allegheny County Thermal (PACT), extending the agreement an additional three years.

Mr. Johnson stated that the Convention Center does not have its own steam supply for boilers and hot water, but it is connected to PACT. The Authority entered into an agreement with PACT five years ago and negotiated a discounted rate for a five-year term. The Steam Use Agreement's term expires at the end of June, 2012. This authorization is to amend the agreement to retain the benefits of the negotiated and previously discounted price and to extend the agreement for an additional three 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. 5077

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to amend the Long Term Steam use agreement with Pittsburgh Allegheny County Thermal, extending the agreement an additional three 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 join with the City of Pittsburgh, authorities, and municipalities to provide for an aggregated electric load program for the provision of electric supply through an auction and/or bid process, and authorization to enter into an electric supply agreement that would commence May 2013 with the successful bidder.

Mr. Johnson stated that this is the Authority's third time presenting a similar authorization for electric supply purchase. On November 1, 2007, the Board authorized the Authority to enter into an agreement with the City, County, PWSA, the Pittsburgh Zoo, and other authorities to combine their aggregate electrical loads. The group is called the Western Pennsylvania Energy Consortium. With a bulk load, the consortium seeks discounts and does a reverse auction online, where prospective electrical suppliers bid against each other. It is a very competitive process because of the size and magnitude of the electrical load. The second authorization to bid with the Consortium for electricity suppliers was in 2009, and the resulting contract from that bid will extend through 2013. The electricity market rates are currently low, so it is an optimal time to bid again for the period effective May 2013. Buying utilities is a market commodity, so this authorization is also to enter into an agreement with an electric contract with the successful bidder. Electric power prices are only good for 48 hours. The bid will be presented with both brown power and green power. The energy used at the Convention Center is 100% renewable power, and 15% of it is purchased through our Duquesne Light Energy contract. The Consortium will include 25% renewable power, and at a later date we will buy renewable energy credits from a third party.

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. 5078

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to join with the City of Pittsburgh, authorities, and municipalities to provide for an aggregated electric load program for the provision of electric supply through an auction and/or bid process, and authorization to enter into an electric supply agreement that would commence May 2013 with the successful bidder; 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 contract with Thornton Tomasetti, Inc. to provide structural engineering services for various projects over a three-year term with a total not to exceed amount of \$240,000 including reimbursable expenses over the term of the contract.

Mr. Buries explained that SMG has recommended soliciting professional engineering services for various projects at the Convention Center that have arisen, and for others that will arise in the next three years. Managing the projects in this manner will allow for efficiencies to be realized by working with the same engineer for multiple projects. Reduced travel and accumulated knowledge of the building are two other ways that savings will be realized. The RFP format used to solicit proposals was developed based on the City of Pittsburgh template, and a sample of potential projects was included.

The contract is not exclusive. SMG and the Authority will be able to hire another engineer if they so choose. The project initiation process will include SMG to provide the

consultant a scope for each project and receive a not-to-exceed proposal for each project within the contract. SMG and the Authority will then determine whether to proceed with that project.

This RFP was advertised in the Pittsburgh Tribune Review, the Pittsburgh Courier, and also on the SEA website. A mandatory pre-proposal meeting was held on May 23 with 27 representatives in attendance. There were three packages: structural engineering services, mechanical/electrical/plumbing engineering services, and general architectural services. The structural engineering package received six proposals. A review committee comprised of SMG, the Authority, and Clarence Curry, senior diversity coordinator for the Authority, met and discussed the proposals. Thornton Tomasetti, based on their experience and their knowledge of the Convention Center, was selected to provide the structural engineering services. Their office is located in Philadelphia, but they have two local firms, AWK and Raudenbush, that they are going to use for their MBE/WBE participation that are anticipated to have a large impact on 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. 5079

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 Thornton Tomasetti, Inc. to provide structural engineering services for various projects over a three year term with a total not to exceed amount of \$240,000 including reimbursable expenses over the term of the contract; 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 contract with Advantus Engineers to provide mechanical/electrical/plumbing engineering services for various projects over a three year term with a total not to exceed amount of \$240,000 including reimbursable expenses over the term of the contract.

Mr. Buries stated that the mechanical/electrical/plumbing package was similar to the engineering services package. Three proposals were received from Advantus Engineers, CJL Engineering, and Allen & Shariff. The same review committee reviewed the packages and proposals and recommended to award this to Advantus Engineering, which is a 100% WBE certified company located in Carnegie, PA.

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. 5080

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to enter contract with Advantus Engineers to provide mechanical/electrical/plumbing engineering services for various projects over a three year term with a total not to exceed amount of \$240,000 including reimbursable expenses over the term of the contract; 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 contract with EDGE Studio to provide architectural services for various projects over a three year term with a total not to exceed amount of \$180,000 including reimbursable expenses over the term of the contract.

Mr. Buries stated that the architectural and design package received four proposals from EDGE Studio, DLA Architecture, LF Gilberti Architects, and Jeff Zell Consultants. It was determined through a review, interview, and reference checks that EDGE is the appropriate firm for the Convention Center's needs. It is a 100% WBE and 100% MBE certified architectural firm located in Pittsburgh.

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. 5081

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 EDGE Studio to provide architectural services for various projects over a three year term with a total not to exceed amount of \$180,000 including reimbursable expenses over the term of the contract; 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 ratify a \$7,307.50 change order to TSB, Inc. d/b/a Schultheis Electric for additional caulking repairs in the Convention Center Water Feature.

Mr. Buries stated that in April 2012, the Board approved a contract with Schultheis Electric to remove the existing lighting at the Convention Center Water Feature to allow for the new lighting system to be installed. The new system will result in an 86% reduction in energy and reduced annual maintenance cost of approximately \$42,000 for its operation. The contract

included an allowance for caulking of concrete. During the course of that caulking repair, additional repairs were identified. In order to avoid a second mobilization in those costs, authorization was given to perform the work while the contractor was onsite, resulting in this request for ratification.

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. 5082

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers ratify a \$7,307.50 change order to TSB, Inc. d/b/a Schultheis Electric for additional Caulking repairs in the Convention Center Water Feature; 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 an agreement with Franco Associates, L.P. in the amount of \$39,800 for maintenance services at the Tribute to Children Memorial and \$6,000 for construction phase engineering services provided by Wiss, Janney, Elstner Associates Inc., both of which are reimbursable by Colcom Foundation.

Mr. Johnson explained that the Authority owns the Tribute to Children Memorial, also known as the Fred Rogers statue, which is located in the North Shore. Technical specifications for repairs as identified in the operations and maintenance manuals and structural reports were prepared by Wiss, Janney, Elstner Associates. The Authority put out a public bid to perform this maintenance work. The bid documents were available May 17, and a pre-bid meeting was held on May 23. Bids were due on May 30. Bids were received from Nathan Contracting, Graciano

Corporation, and Franco Associates. The Authority and WJE reviewed the bids and their scopes to ensure that the contractors were bidding the proper scope. Franco was the lowest responsible bidder, and they are a certified WBE organization and will complete 100% of the work.

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

RESOLUTION NO. 5083

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 Franco Associates, L.P. in the amount of \$39,800 for maintenance services at the Tribute to Children Memorial and \$6,000 for construction phase engineering services provided by Wiss, Janney, Elstner Associates, Inc., both of which are reimbursable by Colcom Foundation; 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 pay Independent Enterprises up to \$7,240 to relocate one existing fire hydrant within the CONSOL Energy Center service yard.

Mr. Barnard explained that as part of the closeout for the CONSOL Energy project, Pittsburgh Water and Sewer Association (PWSA) is in the process of signing the final street vacation for Colwell Street, located behind the arena and the arena garage. As part of that final process, it is required to alter an existing fire hydrant in the service yard of the arena for public use. One option that has been reviewed by public safety, PWSA, as well as the design team, is to relocate that hydrant to a point on the corner of Colwell and Stevenson, providing more accessibility for public safety. Ownership of the hydrant will be taken by PWSA. Oxford

reviewed the competitively bid unit price contracts for the work from a group of contractors, and has determined Independent Enterprises as the appropriate contractor. Once they have approval, they will complete the work and allow the entire the closeout of the arena 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. 5084

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to pay Independent Enterprises up to \$7,240 to relocate one existing fire hydrant within the CONSOL Energy Center service yard; 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 an agreement with the City of Pittsburgh and the Urban Redevelopment Authority of Pittsburgh to receive a grant to support Lower Hill infrastructure and/or design costs.

Ms. Carroll stated that until construction of the street grid and the development of land parcels occur at the Lower Hill, temporary parking spaces will be located on the footprint of the Civic Arena. Those are the new interim parking spaces. Initially, there will be approximately 800 new interim parking spaces, but such amount will decrease as the street grid is built and development occurs. By resolution #300 of 2012, approved by the Mayor on May 18, 2012, the City authorized grants to the Authority and the URA each in an annual amount equal to 50% of the parking tax revenue generated by the new interim parking spaces, provided that the total accumulative amount does not exceed \$2M. This shall expire on December 31, 2016 or such

earlier date on which there are no remaining new interim parking spaces. The amount the Authority receives is to be used for costs related to the design and construction of roads and infrastructure on the 28 acres. The amount to the URA is to be used for Hill District projects.

After Senator Fontana asked for questions, Councilwoman Harris asked to speak.

Councilwoman Harris asked about timing of receipt of the funds.

Ms. Conturo stated that the funds would come in monthly and be dispersed monthly; not as an up-front lump sum.

Councilwoman Harris specified that she was actually asking if the Authority would be reimbursed for the cost of constructing the lot.

Ms. Conturo explained that the grant will be used for the design of the infrastructure.

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. 5085

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 the City of Pittsburgh and the Urban Redevelopment Authority of Pittsburgh to received a grant to support Lower Hill infrastructure design and/or construction costs; 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 \$542,983.59 change order to Noralco Corporation for the construction of an interim parking lot on the Civic Arena Site, abatement credit, fire hydrant relocation, in addition to any permitting costs related to interim parking.

Mr. Barnard explained that as part of the Option Agreement for the redevelopment of the Civic Arena, the Authority is obligated to build parking spaces on the site of the former Civic Arena. Through the process of the past few months, they have been working with Langan Engineering to develop the design for this parking lot. Langan is the design engineer for the demolition and has received approval from both the Zoning Board of Adjustment and the Planning Commission for the construction of this lot. Through the completion of the design, they have evaluated the cost and received cost proposals from their contractor as well as an estimate to verify that those costs are appropriate. They have worked through cost-saving options of reusing some recycled asphalt millings for the final paving surface, reusing existing light poles from the North Shore and a guard rail from the North Shore parking lots. These will help lower the cost of the lot. Part of the interim parking includes a contract to the company Surface Striping and Painting from the Hill District. It is an MBE contractor and will be performing work on the site. Other items included in this lump sum change order to Noralco are: a deduct alternate for topsoil that was to be provided for the original demolition bid, a credit for some abatement savings realized through the completion of the work, a difference in the quantities that were found on site on the bid, and the relocation of some fire hydrants that were existing on the site as required by PWSA to meet public safety requirements.

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. 5086

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to issue a \$542,983.59 change

order to Noralco Corporation for the construction of an interim parking lot on the Civic Arena Site, abatement credit, fire hydrant relocation, in addition to any permitting costs related to interim parking; 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 bind all insurances for the period of July 1, 2012 to June 30, 2013, at a cost of \$392,788.

Ms. Casciato stated that last year, the Authority issued an RFP for insurance brokers. With the assistance of its insurance consultant, Mark McCall from TJ&S, the Authority named James Smith Agency as its broker for property insurance and Willis as its broker for all other insurances for a three year period ending June 30, 2014. The broker's strategy this year was to approach incumbent insurers and negotiate the most favorable, renewable terms and pricing. Where this was not possible, alternative markets were approached. TJ&S has recommended we accept the proposals. The overall premium increase is 5.9% over the current program and is still 6% behind last year's program. The industry average increase has been between 5 and 7%.

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. 5087

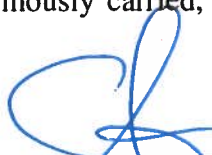
RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to bind all insurances for the period of July 1, 2012 to June 30, 2013, at a cost of \$392,788; and further that the proper officers and agents of the 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. Mr. Udin excused himself for a personal obligation.

Frederick Winkler introduced himself and his proposal, which he has brought to the Board's attention before. He wanted to update the Board about positive feedback. He built more models for the mayor, the county executive, the Pirates, and the Steelers. He has also been monitoring the West General Robinson Garage this week and it was completely full with leases only. He said the manager of the garage said that it is likely going to become a completely leased garage. He said this speaks positively, as would his proposal, and benefits the city more. He noted that the lease agreements for the garage are \$125 per month, and in Downtown it varies between \$245 and \$395. He thinks this is another positive aspect because people can save money and ride transit.

Senator Fontana asked if any more 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 11:12 A.M.



Gregory Miller
Assistant Secretary