

**STADIUM AUTHORITY OF THE CITY OF PITTSBURGH
BOARD MEETING
WEDNESDAY, MARCH 18, 2015
10:07AM**

A general meeting of the Board of Directors of the Stadium Authority of the City of Pittsburgh was held on March 18, 2015 in Room 333 of the David L. Lawrence Convention Center. Board members in attendance: Stanley Lederman, Chairperson; James Malanos, Vice-Chairman; Jay Anderko, Secretary; Michael Danovitz; and Reverend Brenda Gregg, Treasurer and Assistant Secretary, as well as Authority staff members: Mary Conturo, Douglas Straley, Rosanne Casciato, Theresa Bissell, Rosemary Carroll, Taylor Blice, Rifat Qureshi, Christina Lynch and Allison Botti. Also in attendance: Diane Wohlfarth, Solicitor; Clarence Curry of CFC-3; Hiedi Strothers of SMG; Mike Webb of ALCO Parking Corporation; Jason Kobeda of Pittsburgh Associates; Frederick Winkler, architect; Mark Belko of the Pittsburgh Post-Gazette; and Tom Fontaine of the Pittsburgh Tribune Review.

Mr. Lederman called the meeting to order at 10:07 AM and requested that everyone rise for the Pledge of Allegiance. Mr. Lederman proceeded with asking for a roll call of the Board Members. All Board members were present.

The following agenda items were discussed:

1. Public Participation

Mr. Lederman 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 January 13, 2015.

A motion to approve was made, seconded, and carried. The Minutes were accepted.

3. New Business.

The first item read was:

A. Authorization to enter into a five-year funding agreement with the Port Authority of Allegheny County in support of a free-fare zone at North Side Station.

Mr. Straley stated that in December 2011 the Board approved entering into a three-year agreement, with a two-year mutual option with the Port Authority to contribute \$160,000 per year with escalation, toward the North Shore free-fare zone to downtown. The North Side Station is located adjacent to the West General Robinson Street Garage. Regarding the contribution, ALCO Parking Corporation covered 25% of it, the garage covered 25% of it, and the remaining 50% was allocated between daily and event usage from Lots 1, 4, and 6. Those lots are governed by a lease with ALCO. The lots portion is split in half between the Authority and ALCO.

Port Authority chose not to exercise the mutual two-year option of the original agreement so the Authority and Port Authority began discussions to renew the agreement, which resulted in a new five-year agreement. It would start April 1, 2015. In the first year the contribution will be \$205,000, the second year it will be \$220,000, the third year \$235,000, the fourth year \$250,000 and the final year will be \$265,000. The agreement has a five-year term and does not provide for any options to extend.

Under the new agreement, ALCO and the Authority will continue to pay, based on the current percentages mentioned earlier. However additional lots have been added toward paying to the contribution because those lots benefit from the light rail service. Those lots are Lots 5A and 7A.

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

RESOLUTION NO. 3 (2015)

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 five-year funding agreement with the Port Authority of Allegheny County in support of a free-fare zone at North Side Station; 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.

The next item read was:

- B. Authorization to enter into a contract with Eaton Corporation in a lump sum amount of \$5,910 for two (2) electric vehicle charging stations at the West General Robinson Street Garage, and authorization to enter into a contract with Sargent Electric in a lump sum amount of \$5,844 for costs related to the installation. All costs are 40% reimbursable by the Alternative Fuels Incentive Program grant.

Ms. Lynch explained that the alternative fuel incentive grant program is a Pennsylvania DEP funding opportunity to support the conversion of vehicles to alternative fuel. In 2011, Pittsburgh Region Clean Cities (PRCC) applied for and received a grant to assist in the purchase and installation of electric vehicle charging stations in the Pittsburgh region. PRCC partnered with approximately 15 organizations including the Authority to install charging stations at the organizations' facilities. The Authority recently received notice from PRCC that grant monies were still available. The grant reimburses 40% of the cost of purchasing and installing the charging stations. It was determined through discussion with ALCO Parking that the West General Robinson Street Garage would be a good location for a charging station. ALCO has received a request for EV charging stations at this garage and is ideally situated so the stations can serve both downtown commuters and North Shore visitors.

The grant agreement requires the Authority to provide Eaton Level 2 charging stations. Eaton Corporation provided a price of \$5,910 for two charging stations which includes start up and commissioning services by Eaton engineers.

The Authority through ALCO Parking received three quotes for the installation of the two charging stations following the Authority's procurement procedures. Sargent Electric provided the lowest quoted price of \$5,844. This work will be funded from the West General Robinson Street Garage capital fund with the 40% reimbursement credited back to the same fund.

Additional items including signage, painting of spaces, and protection bollards will be funded as an operating expense of the Authority. The Authority will not be charging the garage customer for electricity usage at this time. The stations automatically shut down when a vehicle is fully charged. Since the two charging stations were installed at the Convention Center garage in early 2013, 8,451 kilowatt hours of electricity have been used at a cost of \$730 to the Authority.

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

RESOLUTION NO. 4 (2015)

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 contract with Eaton Corporation in a lump sum amount of \$5,910 for two (2) electric vehicle charging stations to be installed at the West General Robinson Street Garage, and authorization to enter into a contract with Sargent Electric in a lump sum amount of \$5,844 for costs related to the installation and signage; 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.

The next item read was:

- C. Authorization to modify the monthly lease parking rates at North Shore Surface Lots 1, 2, 3, 4, and 5A to match garage, and implement an hourly rate in Lots 1 and 2 for restaurant and office patrons.

Mr. Qureshi explained that ALCO Parking is the Authority's operator for the North Shore lots and garages. In 2014, ALCO recommended certain rate increases in their annual review of rates, as required under the agreement with the Authority. In response, certain daily event rates at the North Shore surface lots were approved at the June 2014 Board meeting. However, it was realized that the monthly lease rate in the surface lots 1, 2, 3, 4, and 5A were not adjusted with the daily rate change as they should have been. To catch up, ALCO recommends modifying the regular monthly lease rate in those surface lots to \$140 a month to keep in line with the daily rates, and to be comparable to the regular monthly lease rates at the West General Robinson Street Garage, which is \$140 a month. The regular monthly lease covers parking Monday to Friday and has certain restrictions during events.

ALCO also recommends converting the Lot 2 daily rates from a flat all day \$7 rate into hourly tiers which would be \$5 for 0-2 hours, \$7 for 2-4 hours, and \$10 for 4-24 hours in order to better accommodate the short-term parkers to the restaurants and the offices for the new Lot 2 buildings.

ALCO estimates that the modified monthly lease rates will generate an additional \$124,930 in annual net revenues. An additional annual parking tax to the City is estimated at \$46,850. For the modified Lot 2 rates, ALCO estimates net revenue generated will be \$102,775 annually. An additional annual parking tax to the City is estimated at \$65,727. For the spaces covered by the ALCO lease agreement, revenues will be split in half between ALCO and the Authority. The revenues generated from the lot are restricted for debt service for North Shore Garage and West General Robinson Street Garage. Additional new revenue generated will help pay for the debt service. If approved, these modified rates will be effective June 1, 2015.

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

RESOLUTION NO. 5 (2015)

RESOLVED by the Board of the Stadium Authority of the City of Pittsburgh that its Executive Director and other proper officers are authorized to modify the monthly lease (with restrictions during events) parking rates at North Shore Surface Lots 1, 2, 3, 4, and 5A to match garage, and implement an hourly rate in Lots 1 & 2 for restaurant and office patrons as attached; 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.

The next item read was:

- D. Authorization to join with the City of Pittsburgh, authorities, and municipalities in an aggregated electric load program for the provision of electric generation supply through an auction, and authorization to enter into an electric supply agreement that would commence in May 2015 with the successful bidder.

Ms. Lynch explained that since 2009, the Authority has maintained a contract with Duquesne Light Energy for electric generation supply services. This contract provided a fixed rate for electric supply for the West General Robinson Street Garage and several surface parking lots. Duquesne Light Energy recently informed Authority staff that they're exiting the business of electric generation supply and will not renew or extend existing contracts. Authority staff recommends that the best option to secure lowest rates for electric generation supply is to join into a consortium with the City of Pittsburgh, Allegheny County, other municipalities, authorities, and universities. This consortium will aggregate the electric demand of all accounts associated with the group and utilize a reverse auction process to obtain the lowest fixed price for electric generation supply services. The Authority has participated in this program since 2007

with the Convention Center being a member property. The SEA Board recently authorized participation in the next round of procurement and added the North Shore Garage to the consortium properties. Consortium auction is planned to take place within the next couple of weeks. The auction will be held on a date based on daily market tests where the consortium evaluates what the market will offer based on their pre-established baseline. When prices are received from electric suppliers they are based on the commodities market and usually are held for only two days. Therefore, the Authority requests authorization to immediately enter into an electric supply contract with the entity that provides the lowest priced offer. The effective supplier start date accounts will be in May 2015. The period of the program will be determined based upon pricing received for different term options. The auction will be bid at 70% brown power or power from conventional sources, and 30% renewable power. The electric utility costs are paid by the respective accounts' operating budgets. The results of this procurement will be reflected in 2016 and forward budgets.

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

RESOLUTION NO. 6 (2015)

RESOLVED by the Board of the Stadium Authority of the City of Pittsburgh that its Executive Director and other proper officers are authorized to join with the City of Pittsburgh, authorities, and municipalities in an aggregated electric load program for the provision of electric generation supply through an auction, and authorization to enter into an electric supply agreement that would commence in May 2015 with the successful bidder; 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.

The next item read was:

- E. Authorization to approve the Stadium Authority Operating Budget for the period ending March 31, 2016.

Ms. Casciato explained that the budget is broken into *unrestricted* and *restricted* budgets. The *unrestricted* budget consists of ongoing operating costs such as salary reimbursement, insurance and professional fees. Per the North Shore Option Agreement as amended, the Authority may undertake the construction of a parking garage in 2016. Soft costs, such as architectural and engineering services, need to be incurred before financing of the construction project takes place. Per the Walker Parking Study, soft costs are estimated at 18% of construction costs and are included in this budget. These costs are to be funded with cash on hand.

The *restricted* budget includes daily parking lot revenues from Lots 1 through 5 and 7A to 7J which are restricted to support the debt on the North Shore and West General Robinson Street Garage. At this time, the value of any sale of Option Area development parcels in the year is not known.

The annual budget for the West General Robinson Street Garage is a separate exhibit. After payment of all garage expenses including debt service, the garage is estimated to have a surplus of \$92,000.

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

RESOLUTION NO. 7 (2015)

RESOLVED by the Board of the Stadium Authority of the City of Pittsburgh that the Stadium Authority Operating Budget for the period ending March 31, 2016 is hereby approved; 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.

The final item was:

4. Public Participation.

Mr. Lederman asked if there were any comments from the Board. Hearing none, Mr. Lederman 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 10:25 AM.