

MINUTES OF THE MEETING
OF THE BOARD OF THE
SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH
AND ALLEGHENY COUNTY
HELD THURSDAY, APRIL 7, 2011
AT THE DAVID L. LAWRENCE CONVENTION CENTER,
PITTSBURGH, PENNSYLVANIA
COMMENCING AT 10:41 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, April 7, 2011 commencing at 10:41 A.M. E.S.T.

Members of the Authority

Present: Senator Fontana, Chairman
Reverend Dr. William H. Curtis, Vice Chairman- Via Telephone
Anthony Ross, Member
Dr. Edie Shapira, Secretary
Sean Logan, Member
Michael Dunleavy, Member
Councilwoman Darlene Harris, Member

Absent: None

Also Present: Mary Conturo, Doug Straley, Mark Johnson, Rifat Qureshi, Angelica Ciranni, Jason Kobeda, Rosanne Casciato, Rosemary Carroll and Caitlin Brogan of the SEA; Mark Hornak; Mike Barnard of Oxford Development Company; Clarence Curry of CFC-3 Management Services; Tom Ryser of TPR, LLC; Bernie Watson, Ryan Buries and Mark Leahy of SMG; Fredrick Douglass of Cosmos Technologies; Jeremy Boren of the Pittsburgh Tribune Review; Fred Winkler; Architect and Thomas H. Higgins, citizen.

Senator Fontana called the meeting to order with the Pledge of Allegiance, followed by a roll call of the Board Members. Senator Fontana then asked the board members if they could hear Reverend Dr. Curtis, and if Reverend Dr. Curtis could hear the board, both said yes.

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

approval of minutes from the meeting on February 3, 2011. A motion was made, seconded, and unanimously approved.

Senator Fontana began addressing new business with the first item on the agenda, authorization to issue a \$31,503 change order to Dagostino Electronic Services for work associated with the 2010 Security Project.

Mr. Watson stated that this change order is a list consisting of 25 items, most of them are small, for example: adding a camera in the chilled water plant. Two of the bigger, major items are: increasing storage capacity to 36 terabytes to meet the software provider as well as a credit for the switch change from Cisco to Alcatel Lucent. This project employs 23% MBE participation by using Emerald Electric.

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. 4942

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers hereby to issue a \$31,503 change order to Dagostino Electronic Services for work associated with the 2010 Security 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, an authorization to enter into a \$4,975 contract with Nathan Contracting for concrete work.

Mr. Watson explained that we received 3 bids for this work, which consists of minor repairs to the curbs at the loading dock entrance, the parking garage and upper loading dock. These are minor concrete repairs considered to be routine maintenance.

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. 4943

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 \$4,975 contract with Nathan Contracting for concrete work; 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 ratification of the following: (i) \$155,000 change order to Grunau Company to replace deluge valves, (ii) \$14,684 contract with Accent Electronic Systems Integrators for the reconfiguration of the control wiring to the deluge valves, and (iii) \$7,200 change order to Burt Hill Engineers for review of the deluge system.

Mr. Watson explained that maintenance of the building revealed the deluge valves for the main exhibit halls were not working properly. The valves ensure proper fire protection in the exhibit halls. Grunau and Accent have been doing other work at the Convention Center, and were contracted to achieve economies of scale. Burt Hill provided the original design, and is reviewing the shop drawings and inspections.

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. 4944

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that contracts or other procurement of the following goods and services are hereby

ratified: (i) \$155,000 change order to Grunau Company to replace deluge valves, (ii) \$14,684 contract with Accent Electronic Systems Integrators for the reconfiguration of the control wiring to the deluge valves and (iii) \$7,200 change order to Burt Hill Engineers for review of the deluge 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; it is the finding/declaration of the Board that given the risk of damage to the building, to the contents of exhibitors, to the safety of occupants and to the on-going integrity of operations, that the corrective actions were taken with the advice of the solicitor under the “emergency” provisions of Section 5511-A(c) of the Sports and Exhibition Authority Act.

Senator Fontana introduced the next item, a request for authorization to issue a \$16,318 purchase order to Yale Industrial Trucks – Pittsburgh, Inc. for two Taylor-Dunn personnel carriers.

Mr. Watson stated that the Convention Center is a very large building at 1.5 million square feet. The trades people use these Taylor Dunn’s throughout the Day to get from one location to another to do their work. The existing Yale trucks were at the end of their useful life, the motor in one of the trucks died, and we have had various maintenance problems with the other. SMG received government contract pricing for this work. The pricing was checked against another manufacturer and found to be competitive. Staff recommends authorization.

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. 4945

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to issue a \$16,318 purchase order to Yale Industrial Trucks – Pittsburgh, Inc. for two Taylor-Dunn personnel carriers; 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 as a request for authorization to enter into a \$27,250 contract with Unique Services & Applications for additional shade repairs.

Mr. Watson explained the shading system for the building is unique. Lucent originally installed the shades, but they've never been in the business of maintaining them. Unique Services is a company that knows how, and has the ability and desire to access and repair the broken cables and other parts. Staff is recommending approval.

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. 4946

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to issue a \$27,250 change order to Unique Services & Applications for additional shade 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, an authorization to issue and ratify purchase orders totaling up to \$46,202 for various FF&E items.

Mr. Buries explained that these items were identified by the SMG management staff as necessary to provide first class amenities for the shows that come into the facility, they include: tables, table covers, beverage covers, beverage servers, vacuum cleaners, cleaning systems, and pipe and drape to be used for the shows. SMG searched for competitive pricing for all items.

Three bids were obtained for all items, the lowest bid was accepted for all, with the exception of the tables. Samples were brought in as a part of public bid and SMG's accessories, such as table skirting and skirt clips, did not fit on the low-bid tables. SMG accepted the second bid, which was only \$60 higher than the low bid.

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. 4947

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers hereby ratify the issuance of the following purchase orders:

- Issuance of a \$2,147.50 purchase order to Maine Supply Company for vinyl table covers.
- Issuance of a \$3,275.11 purchase order to Georgia Expo for pipe and drape.
- Issuance of a \$4,540 purchase order to SS Kemp for water cambros.
- Issuance of a \$1,619.30 purchase order to CoverCo Inc. for water cambros covers.
- Issuance of a \$4,197 purchase order to Mity-Lite for aluminum edge kits.
- Issuance of a \$3,103.20 purchase order to Tennant Company for KaiVac cleaning system.

and are authorized to issue the following purchase orders:

- Issuance of a \$21,645.45 purchase order to Mity-Lite for all-purpose tables.
- Issuance of a \$3,327.60 purchase order to Tennant Company for upright hand vacuums.

- Issuance of a \$2,162.22 purchase order to Harsco Corporation for scaffolding.

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 \$16,900 change order to CJL Engineering for design of various electrical upgrades.

Ms. Ciranni explained that GBA is currently conducting a case study of the green features and operations of the building and will be providing recommendations for upgrades. CJL is the mechanical/electrical engineer on the project and have been conducting regular update meetings on their recommendations. The case study report won't be issued until May. The Authority has decided to move forward on some of the projects and this change order will allow them to oversee the installation of the power factor correction capacitors to complete the design of the MDF/IDF local cooling system, and to design and oversee the installation of the lighting upgrades.

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. 4948

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to issue a \$16,900 change order to CJL Engineering for design of various electrical upgrades; 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 T.S.B. Inc (D/B/A Schulthies Electric) in the amount of \$303,945 for the procurement and installation of power factor correction capacitors and to pay other project related costs not to exceed \$5,000 to Duquesne Light Company and Pennsylvania Trane.

Mr. Johnson stated, that this is related to the Case Study that Ms. Ciranni mentioned earlier which is hosted by CMU and GBA. CJL is the mechanical engineer involved in the case study. During preliminary reviews of utility bills and energy efficiency projects, it became apparent that we pay an additional charge for a power factor penalty within our utility bills. CJL put together the design specifications for this publicly bid project. Bids were received from three local contractors, Shulthies Electric was the low bid and has produced 46% WBE participation and the supply of the power factor capacities. This project will be complete August and will save approximately \$100,000 a year on power factor penalties. CJL Engineering will oversee the project.

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

RESOLUTION NO. 4949

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 T.S. B. Inc (D/B/A Schulthies Electric) in the amount of \$303,945 for the procurement and installation of power factor correction capacitors and to pay other project related costs not to exceed \$5,000 to Duquesne Light Company and Pennsylvania Trane; 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 issue a \$5,666 change order with PJ Dick, Inc. to install insect guards on curtain wall pipe sleeves.

Mr. Ryser explained that this change order is to furnish and install 45 plugs to be placed in the guide tubes which penetrate the soffit of the permanent curtain wall access. These plugs will prevent any insects from building nests within those tubes. Because the workers will be working from a catwalk when they hook up their cables, there is limited room for them to move if there are bees in the soffit.

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. 4950

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to issue a \$5,666 change order to PJ Dick, Inc. to install insect guards on curtain wall pipe sleeves; 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 \$12,225 change order to PSI for additional environmental services.

Mr. Barnard explained that PSI had previously been contracted to do environmental service testing at the Civic Arena as part of the demolition design. This change order is necessary to extend their contract for additional testing after preliminary tests indicated hazardous material in the concrete that is anticipated to be reused after demolition. This will help further define the limits of that material and complete the design effectively.

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. 4951

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to issue a \$12,225 change order to PSI for additional environmental 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 contract not to exceed \$60,350 with Thornton Tomasetti for structural assessment services to be paid from the Capital Reserve Fund.

Mr. Straley explained that Heinz Field and PNC Park are inspected annually. The inspections include items such as mechanical, electrical, plumbing, and concrete. Authority staff felt it prudent to have a structural assessment of the facilities conducted in 2011. There were eight respondents to an RFP issued by the Authority for an assessment of Heinz Field. A few of our requirements included 10 years of experience in performing structural inspections including some stadia experience. Thornton Tomasetti issued the lowest priced proposal and included 23% MBE participation. The assessment is expected to be complete in June 2011. Payment for this work comes out of the Heinz Field capital reserve fund. PSSI has been consulted 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. 4952

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 not to exceed \$60,350 with Thornton Tomasetti for structural assessment services to be paid from the Capital Reserve Fund; 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 LLC an amount not to exceed \$214,857 from the Capital Reserve Fund for the replacement and upgrade of control systems for fire alarm and HVAC systems and concrete repair and waterproofing.

Mr. Johnson explained that Heinz Field undergoes annual inspections by Chronicle Consulting. In response to those inspections, PSSI submits capital requests to the Authority for consideration. This year, PSSI has requested to have the HVAC control system upgraded and replaced. The control system runs all the heating ventilation and cooling for the stadium. The system has become antiquated, parts are failing and becoming more difficult to find replacements for. The fire control system is in a similar situation where a new software upgrade is needed to be able to have safe and adequate fire control. Concrete repairs are necessary to address leak issues on the stairs. Funding for these projects is provided by the Heinz Field Capital Reserve Fund.

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. 4953

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 LLC an amount not to exceed \$214,857 for the replacement and upgrade of control systems for fire alarm and HVAC systems and concrete repair and waterproofing; 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 Pittsburgh Associates up to \$215,850 from the PNC Park Capital Reserve Fund for removal and replacement of concrete along the PNC Park Riverwalk.

Mr. Johnson stated that the Board previously authorized partial repair of the Riverwalk concrete. Upon conducting the demolition and replacement, it was found that there are more damaged areas than initially expected. WJE Engineering is overseeing the project and recommending a change to the pattern and placement. This will provide an upgraded support of the concrete for vehicles. This change dropped the price from \$38 to \$24.50 per square ft to replace the concrete from River Rescue to Mazeroski Way.

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. 4954

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 up to \$215,850 from the PNC Park Capital Reserve Fund for removal and replacement of concrete along the PNC Park Riverwalk; 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 not to exceed \$54,670 with Martin/Martin Consulting Engineers for structural assessment services to be paid from the Capital Reserve Fund.

Mr. Straley explained that similar to the Heinz field structural assessment, a structural assessment of PNC Park is prudent at this time. Two proposals were received, of which Martin/Martin submitted the lowest price. This inspection may take longer than Heinz field due to PNC playing games at this time. Work will be complete in July or August. Martin/Martin has 25% WBE participation paid by PNC capital Reserve Fund.

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. 4955

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 not to exceed \$54,670 with Martin/Martin Consulting Engineers for structural assessment services to be paid from the Capital Reserve Fund; 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 not to exceed \$3,000 with North Shore Pools and Service for cleaning of the Water Steps.

Mr. Johnson explained that this request authorizes routine maintenance to be performed on the Water Steps next to Hyde Park, which have a sand filter and water filtration system like #50850

most swimming pools, which means you have to vacuum and clean regularly. North Shore Pools and Service was the low bidder at \$125 per cleaning out of the three bids received.

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. 4956

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 not to exceed \$3,000 with North Shore Pools and Service for cleaning of 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, ratification of Property, Inland Marine, General Liability, Umbrella and Auto Insurance to a July 1, 2011 renewal date at a cost of \$69,640.

Ms. Casciato stated that the SEA hired a risk management consultant to assist in issuing an RFP for broker services and to recommend carriers for procurement of various Authority insurances. It is staff's intent to bring these recommendations to the June board meeting, as a result all insurances need to be extended to July 1st. The cost of the additional premiums are calculated using the current pricing prorated for the time period of the insurance extension which totals \$69,640, plus processing fees.

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. 4957

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers hereby ratify the Property, Inland Marine, General Liability, Umbrella and Auto Insurance to a July 1, 2011 renewal date at a cost of \$69,640; 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, acceptance of the Sports & Exhibition Authority audit as of December 31, 2010.

Ms. Casciato stated that the SEA audit was completed by Maher Duessel. They issued a clean, unqualified-opinion, which means the financial statements presented fairly the financial position of the Authority. No findings or questioned cost resulted from the audit and no management letter was issued. The majority of the changes in the balance sheet were due to the completion of the CONSOL Energy Center, resulting in decreased cash and increased fixed assets as well as changes from various refinancings. The Authority recognized \$18 million dollars in operating revenue, a 17% increase from 2009, due mainly to rent payments from CONSOL Energy Center debt service on two bonds, and parking surcharges restricted to the Capital Reserve account.

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. 4958

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers accept the Sports & Exhibition Authority audit as of December 31, 2010; 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 asked if any members of the audience would like to address the Board or comment on the agenda. Hearing none, he asked for comments from the Board members. Mark Hornak asked that the minutes from today's meeting reflect that at my request immediately prior to the meeting today, an executive session was held with the Board, other senior staff, and myself. The purpose of the executive session was to assist Authority leadership in formulation of its confidential position in ongoing negotiations and to provide privileged legal advice to the Authority Board and its senior administrators.

There being no further 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 11:02 A.M.



Mark R. Hornak
Assistant Secretary