

MINUTES OF THE MEETING
OF THE BOARD OF THE
SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH
AND ALLEGHENY COUNTY
HELD THURSDAY, JUNE 11, 2015
AT THE DAVID L. LAWRENCE CONVENTION CENTER
PITTSBURGH, PENNSYLVANIA
COMMENCING AT 10:42 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 the conference room in SMG's administrative offices of the David L. Lawrence Convention Center in Pittsburgh, PA 15222, on Thursday, June 11, 2015, commencing at 10:42 A.M. E.S.T.

Members of the Authority

Present: Senator Wayne Fontana, Chairman
Michael Dunleavy, Vice-Chairman
Councilman Dan Gilman, Member
Sala Udin, Member (via telephone)
Reverend John Welch, Member (via telephone)

Absent: Councilman James Ellenbogen, Member
Jill Weimer, Member

Also Present: Mary Conturo, Doug Straley, Rosanne Casciato, Rosemary Carroll, Steve Morrison, Taylor Blice, Christina Lynch, Michael Beasley, Theresa Bissell and Allison Botti of the Authority; Clarence Curry of CFC-3; Ryan Buries of SMG; Jason Kobeda, Chris Hunter, and Clayton Bonchard of Pittsburgh Associates; Frederick Winkler, architect; and Mark Belko from Pittsburgh Post-Gazette

Senator Fontana called the meeting to order with the Pledge of Allegiance, followed by a roll call of the Board Members. Mr. Hanson confirmed with Rev Welch attending via telephone, that he could hear the other Board Members and be heard by them. It was determined that a quorum was achieved. Beginning with public participation, Senator Fontana asked if any members of the audience would like to address the Board. Hearing none, he moved to the next

item on the agenda. The meeting continued with the approval of minutes from the meeting of May 7, 2015. A motion was made, seconded, and unanimously approved.

Senator Fontana addressed new business with the first item on the agenda, a request for authorization to approve a change order with Pittsburgh Electric Motor Repair, Inc. (PEMR) in an amount of \$1,121, to be billed based on unit price, for repairs for internal components of the water feature.

Mr. Buries explained that the current water feature at the Convention Center is an architectural element that provides a unique gateway from the city to the Riverfront Plaza. The operation of the feature requires the synchronous operation of 28 electric motor/pump assemblies to pump approximately 70,000 gallons of water throughout the system.

In January of 2015, the board approved a contract with Pittsburgh Electric Motor Repair to rebuild 8 of the pump/motor assemblies that operate as part of the water feature system. During the course of the rebuilds, PEMR discovered deterioration of some internal components of the pumps and motors. This work was completed and the pumps/motors have been reinstalled and the water feature is currently operating.

Mr. Buries brought to the attention of the Board a table that outlined the original contract and the additional work required for the motors. There were five additional pumps that required work. The original contract was awarded based on PEMR providing the lowest quote for the work after advertisement on the SEA website and solicitation of 3 quotes. The new contract value after adding the cost of the change order work is still lower than the second lowest quote from the original contract. There is a 90 day warranty on miscellaneous repairs and 1 year warranty on the motor rebuild.

Senator Fontana asked if there was any question from the Board. Hearing none he asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5329

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to approve a change order with Pittsburgh Electric Motor Repair, Inc. (PEMR) in an amount of \$1,121, to be billed based on unit price, for repairs to internal components of the water feature; 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 approve a change order with Deckman Control Systems in an amount of \$20,952, for hardware and software repairs to the building automation system. Senator Fontana acknowledged board member Sala Udin joining the meeting via telephone.

Mr. Buries explained that in June 2014, the board approved two contracts with Deckman Control Systems (“Deckman”). The first was for replacement of hardware components and a software upgrade; the second was for an ongoing service contract and re-commissioning of HVAC components throughout the building. Through the course of the installation of the new hardware components and in conjunction with the re-commissioning process it was discovered that a number of field level controllers have degraded to the point that they are no longer reliable. Thus, they need to be replaced in order to consistently control temperatures in those spaces. In February of 2015, the board approved a change order to replace 25 of these controllers in the administrative office area on the first level. This specific request addresses replacing 97 additional of the same type of controllers in other areas of the building, which in February had

yet to have been re-commissioned. If authorized, Deckman will provide the equipment and supervise the startup of the new controllers which will be installed by DLCC steamfitters.

Mr. Buries indicated that in the explanation of June 2014 request we noted that *"...it should be recognized that this approach, as it would be with any other controls manufacturer, will require that certain future work and repairs would need to be sole sourced to the manufacturer (which in this case is Alerton)."* (Deckman is the local authorized Alerton representative.) Deckman has offered pricing equivalent to list price less 50% less 30% for the controllers required for this project. The project will commence upon authorization and is expected to take 4-8 weeks to complete. There is minimal lead time on the new controllers, which will come with a 2 year warranty.

Senator Fontana asked if there was any question from the Board. Hearing none he asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5330

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to approve a change order with Deckman Control Systems in an amount of \$20, 952, for hardware and software repairs to the building automation system; 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, a request for authorization to enter into a change order with Airtite Company in an amount of \$5,748, to be billed based on unit price, for concrete patching and waterproof coating installation.

Mr. Buries explained that in March of 2015 the board approved a contract with Airtite Company for replacement of sealants in the water feature at the Convention Center. This

contract included an allowance for concrete patching and replacement of water proof coating. Additionally, this contract identified unit pricing for concrete patching and waterproof coating in excess of the contractual allowance. This change order will reconcile the cost of the overages. The design engineer from Loftus Engineers has measured the quantities of both the concrete patching and the waterproof coating and is in agreement with the amounts the contractor has submitted.

Mr. Buries brought to the attention of the Board a table indicating the unit pricing, quantity of the allowance, the overage and summary total. The original contract was awarded after a public bid process with Airtite submitting the lowest bid. Airtite's original cost with the addition of the change order continues to remain lower than the second lowest 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. 5331

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to approve a change order with Airtite Company in an amount of \$5,748, to be billed based on unit price, for concrete patching and waterproof coating installation; 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 continued on to the next item, a request for authorization to enter into an agreement with PremierComm, LLC in a lump sum amount of \$18,341 for telephone system equipment installation and software upgrade.

Mr. Morrison explained that the Convention Center's phone system was installed with the building's original construction, and is showing signs of aging. An upgrade to a newer

hardware and software platform will improve system performance and reliability, provide enhanced features for the Convention Center, and reduce operational costs. Mr. Morrison stated he anticipates the life for this upgrade to be 3-5 years.

The phone system upgrade opportunity was placed on the Authority's website, and multiple vendors were contacted directly for quotes. The Authority's existing phone system vendor, PremierComm, was the only vendor able to support the existing legacy system, perform this upgrade and provided the only quote. The bulk of the equipment and software purchase is provided from PremierComm via COSTARS pricing. The \$7,805 balance remaining is PremierComm's pricing for their installation service and supplies.

The Authority anticipates the phone system upgrade will be completed by the end of July 2015. The cost of this project is \$18,341, and there is a one-year warranty on the hardware and labor.

Senator Fontana inquired from the Board if there were any questions. Rev. Welch asked if the intent is to upgrade the existing legacy system or consider looking at a new system as well. Mr. Morrison explained that it was the intention to consider looking at migrating to a new system in 3-5 years. He indicated one of the benefits of this upgrade now is it allows the support of new technology such as IP phones that are currently being used as well as the present legacy analog and digital system. He added that there continues to be a need to support analog technology due to fax lines, vendor credit card machines, and curtesy/elevator phones that are not supported by newer technology. Rev. Welch requested confirmation that it is the intent to move to digital technology at the conclusion of the current warranty cycle. Mr. Morrison confirmed it was the intent to move to a complete IP solution within 3-5 years.

Senator Fontana asked if there were any additional 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. 5332

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to enter into agreement or agreements with PremierComm LLC in a lump sum amount of \$18,341 for telephone system equipment installation and software upgrade; 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 continued on to the next item, a request for ratification of an agreement with Barber & Hoffman, Inc. in a lump sum amount of \$5,177 for performing a peer review of structural design of the alterations to PNC Park as submitted by the Pirates.

Mr. Blice, SEA Facilities Director, explained that on January 22, 2015 the Authority was notified by the Pirates that they were undertaking four alteration projects in PNC Park. The projects included a Left Field Rotunda Bar, a Home Plate Rotunda Bar, an extension of the Hall of Fame Club balcony and a renovation of the Tour Theater.

In accordance with the Lease, if a project meets certain criteria such as costing over \$500,000 or it affects the Ballpark exterior or its structural components, the team must receive written approval for the project. These projects met these criteria.

The SEA received the construction drawings in March 2015 and was informed that the projects were to be completed prior to opening day April 13, 2015. Since the projects had a structural component to them, it is the SEA's practice to have a peer review of the structural design performed as part of the alteration project authorization.

The Authority had recently gone through the process of selecting a structural engineering firm for a 3-year contract at the Convention Center for which Barber & Hoffman was successful in securing. Since the PNC Park projects had already begun, Barber & Hoffman was asked to immediately review the structural drawings. Barber & Hoffman, after reviewing the structural drawings, meeting with the architect and field verifying the construction, has determined that the structural design is acceptable.

After asking for questions from the Board 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. 5333

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are hereby authorized to ratify an agreement with Barber & Hoffman, Inc. in a lump sum amount of \$5,177 for performing a peer review of structural design of the alterations to PNC Park as submitted by the Pirates; 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 continued on to the next item, a request for authorization to bind property, liquor liability, flood, general liability, automobile, umbrella, excess liability, workers compensation, public officials and crime insurance for July 1, 2015 to June 30, 2016 at a cost not-to-exceed \$304,293 plus related fees.

Ms. Casciato, the Authority's CFO, explained that in 2014 the Board authorized Willis of Pennsylvania, as the Authority's broker through June 30, 2017. She explained that Willis negotiated terms for the July 2015 to June 2016 insurance period and the information was attached in the packet given to them.

Ms. Casciato indicated for property insurance the carrier is AIG. AIG provided a two year rate guarantee last year so the property insurance cost is flat. AIG has also agreed to extend the rate through June 2017 contingent upon a 30% loss ratio.

Ms. Casciato continued by explaining the excess liability insurance is the secondary coverage of liability insurance for all of the facilities. Willis informed the Authority that the current vendor, Travelers, exited this segment of the market. Willis marketed to 10 companies and received 5 quotes. Willis recommended this insurance be bound with Colony Insurance Co. who provided a quote of \$16,292, a decrease from last year of \$218.

Ms. Casciato also added that Flood Insurance is a National program with rates set by the National Flood Insurance program. The remaining insurances are with the same carriers as last year and the costs were either flat or had small increases due to work on the Lower Hill. In total the insurance cost is \$4,186 or 1.39% greater than last year.

After asking for questions from the Board 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. 5334

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to bind property, liquor liability, flood, general liability, automobile, umbrella, excess liability, workers compensation, public officials and crime insurance for July 1, 2015 to June 30, 2016 at a cost not-to-exceed \$304,293 plus related fees; 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.

Finishing new business, Senator Fontana asked if any members of the audience would like to address the Board or if there were comments from the Board Members. There being no comments or business, Senator Fontana asked for a motion to adjourn. Upon a motion duly made, seconded and unanimously carried, the meeting was adjourned at 10:56 A.M.

A handwritten signature in blue ink, reading "Mary K. Conturo", written over a horizontal line.

Mary Conturo
Assistant Secretary