

MINUTES OF THE MEETING
OF THE BOARD OF THE
SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH
AND ALLEGHENY COUNTY
HELD THURSDAY, FEBRUARY 14, 2019
AT THE DAVID L. LAWRENCE CONVENTION CENTER
PITTSBURGH, PENNSYLVANIA
COMMENCING AT 10:38 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 DLCC Executive Board Room in Pittsburgh, PA 15222, on Thursday, February 14, 2019 commencing at 10:38 A.M. E.S.T.

Members of the Authority

Present: Sen. Wayne Fontana, Chairman
Councilman Anthony Coghill, Member
Michael Dunleavy, Member
Councilman Nicholas Futules, Member
Rev. Glenn Grayson, Member
Sala Udin, Member (via phone)
Jill Weimer, Member (via phone)

Also Present: Mary Conturo, Doug Straley, Rosanne Casciato, Rifat Qureshi, Sharon Mink, Rhea Thomas, Bill Williams, Simona Loberant, Rachel Cohen and Maggie Pike of the Authority; Morgan Hanson, Solicitor; Tom Ryser of TPR; Clarence Curry of CF3 Management; Tim Muldoon, Ryan Buries, Conor McGarvey and Kevin Mielcarek of SMG; Dennis Ottaviani of Veolia Water North America; Steve DeGenaro of Siemens Industry, Inc. and Frederick Winkler, architect.

Senator Wayne Fontana called the meeting to order with the Pledge of Allegiance. Mr. Morgan Hanson followed with a roll call of the Board Members. Mr. Hanson confirmed that Mr. Sala Udin and Ms. Jill Weimer were attending via telephone, and that they could hear the other Board Members and the Board Members could hear them. Mr. Hanson advised that a quorum was present.

Beginning with public participation, Senator Fontana asked if any members of the audience would like to address the Board. Seeing none, he moved to the next item on the agenda, approval of the minutes from the meeting of December 13, 2018. A motion was made, seconded and unanimously approved.

Senator Fontana continued on to the next item on the agenda, the election of officers. Rev. Glenn Grayson nominated the following slate of officers: Senator Fontana for Chairman, Mr. Michael Dunleavy for Vice Chairman, Mr. Udin for Secretary, Ms. Weimer for Treasurer, Ms. Mary Conturo for Assistant Secretary, Ms. Rosanne Casciato for Assistant Treasurer, and Mr. Hanson for Second Assistant Secretary. Senator Fontana called for a motion for the election of the persons nominated to the offices. A motion was made, seconded and unanimously approved.

Senator Fontana continued on to the next item on the agenda under David L. Lawrence Convention Center (DLCC), authorization to issue a final change order with Odyssey Environmental Services, LLC in the amount of \$10,300 for cleanup of main sump, and access tunnel coating repairs at the wastewater treatment plant.

Mr. Kevin Mielcarek explained that the 50,000-gallon capacity on-site wastewater treatment plant collects and treats all wastewater from sanitary and potable uses. The SEA contracts with Veolia Water North America (Veolia) for the operation of the wastewater treatment plant, which requires periodic cleaning and inspection of the main sump tank.

In July 2018, the Board approved a contract with Odyssey Environmental Services (Odyssey) to clean and inspect the main sump tank. During this work, which was conducted in November 2018, it was discovered that the waste inside the tank contained a higher level of solids than was anticipated. As a result, additional labor and equipment was required to fully

remove the contents of the tank. Additional costs were also incurred for disposal of the high solid content material.

Odyssey originally submitted a change order request in the amount of \$22,675. Veolia reviewed the proposal and conducted an independent lab analysis of the removed material. Upon review, Veolia did not agree with the labor and disposal costs and negotiated with Odyssey to reduce the total requested change order to \$10,300. Veolia advised this amount was acceptable, and the approval request from the Board is for \$10,300.

Senator Fontana asked if there were any questions 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. 5590

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to issue a final change order with Odyssey Environmental Services, LLC in the amount of \$10,300 for cleanup of main sump, and access tunnel coating repairs at the wastewater treatment plant; 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, authorization to enter into an agreement with HUB Parking Technology in a lump sum amount of \$30,229 for purchase and installation of a ZEAG on-line pay-on-foot station.

Mr. Conor McGarvey explained that in March 2016, the Board approved a contract for the purchase and installation of four entry stations, four exit stations, four barrier gates and an upgrade to the DLCC parking garage software system. In April 2017, the Board approved the replacement of one of the three original full service on-line pay-on-foot stations. The pay stations are original to the building's parking garage and have been failing at an increasing rate. The pay

stations are approaching or have reached the end of their useful life. As the pay-on-foot stations break down, new replacement parts are no longer available. The DLCC has been forced to buy rebuilt parts which have a limited lifespan in comparison to new parts. It is becoming more likely that one or more units' breaking and not being able to be repaired in a timely manner will greatly affect the business at the DLCC during an event.

HUB Parking Technology's equipment is the only system compatible with all DLCC pay-on-foot stations, credit card only pay stations, credit card interface system, and the DLCC parking garage accounting system. During the 2017 purchase, to ensure that the DLCC was receiving the best price, HUB Parking Technology was asked to share quotes from comparable projects. The pricing on the comparable projects was in line with HUB's bid on the DLCC project in 2017. HUB has held the pricing from the 2017 purchase for this purchase.

The lead time for this project is approximately 14-16 weeks. The pay-on-foot station has a one-year warranty covering all parts, labor, travel, and help desk calls. The equipment has a useful life of 10 years.

Senator Fontana asked if there were any questions 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. 5591

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 HUB Parking Technology in a lump sum amount of \$30,229 for purchase and installation of a ZEAG on-line pay-on-foot 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.

Senator Fontana introduced the next item under North Shore Riverfront Park, authorization to enter into an agreement with Schultheis Electric in a not-to-exceed amount of \$52,575 for design build replacement of the Water Steps control panel and electrical breaker panels.

Mr. Tom Ryser explained that, as part of the Authority's contract with Veolia to operate and maintain the North Shore Riverfront Park Water Steps, Veolia provides an annual recommendation regarding necessary projects to maintain the water feature. Veolia is recommending that the electrical breaker panels and water feature control panel be replaced. The water feature equipment is housed in a small underground pit located adjacent to the Water Steps. It is a harsh environment with limited ventilation and stored chemicals used to maintain the water feature. The electrical breaker panels are original to construction of the Water Steps in 2001 and the control panel was previously replaced in 2004 after flood damage. There is a significant amount of corrosion on the panels and rust on the contacts which impacts the reliability of the system. With this authorization, the material of the panels will be modified from painted steel to stainless steel to increase the useful life of the housings.

In December 2018, the Authority issued a request-for-proposal ("RFP") to seek services for the design-build replacement of the Water Steps control panel and electrical breaker panels. The Authority posted a notice on the its website, contacted control and electrical firms, and advertised in the Pittsburgh Post-Gazette and the New Pittsburgh Courier. There was a pre-proposal meeting on January 10, 2019. Proposals were due on January 24, 2019, and four firms submitted proposals.

A scope review was held on January 30, 2019 with representatives from the SEA, Veolia and Schultheis Electric respectively. Based on the scope review, SEA staff and Veolia

concluded that Schultheis Electric has a good understanding of the tasks required and therefore, recommended entering into an agreement.

Schultheis Electric includes 9.6% MBE and 3.9% WBE participation. Notice to proceed will be issued in February with expected completion in May 2019.

Senator Fontana asked if there were any questions from the Board.

Rev. Grayson asked if there will be any warranties on the replacement parts.

Mr. Ryser explained that there will be a one-year warranty with the contractor's installation and whatever warranty comes with the manufacturer's product on the panels.

Rev. Grayson asked about the life expectancy of the replacement panels.

Mr. Ryser said he was unsure of the life expectancy.

Senator Fontana asked how long the current electrical breaker panels and control panels have lasted.

Mr. Ryser explained that the current panels have been in place since 2001. Mr. Ryser added that the new panels will be stainless steel waterproof housings.

Councilman Coghill asked about the Authority's responsibility to maintain the Water Steps.

Ms. Conturo explained that the Sports & Exhibition Authority assembled the property, the funding, and the construction, and eventually it should be turned over to the City as a City park, which was the original intention.

Councilman Coghill asked if past flooding was caused by the river or by the water feature itself.

Mr. Ryser explained that the river caused the flooding back in 2004 when Hurricane Ivan hit Pittsburgh, but improvements have been made to the water feature since then to prevent impact from future floods.

Senator Fontana asked if there were any further questions 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. 5592

RESOLVED by the Board of 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 Schultheis Electric in a not-to-exceed amount of \$52,575 for design build replacement of the Water Steps control panel and electrical breaker panels; 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 under North Shore Garage, authorization to enter into an agreement with FMS Construction in a lump sum amount of \$7,339 for ceiling tile replacement in lobby and office areas.

Ms. Simona Loberant explained that the ceiling tiles in the lobby area passageway and cashier's office area of the North Shore Garage are original to construction. Various mechanical issues over the years have resulted in condensation and leakage, which caused damage to the tiles.

The grid holding the tiles will remain intact, but the tiles themselves will be replaced with Certainteed Symphony M mineral fiber panels, which have a limited 10-year warranty and sustainability certifications verifying their 51% recycled content. The contractor warrants labor against any defects for one year from the date of substantial completion.

Senator Fontana asked if there were any questions 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. 5593

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 FMS Construction in a lump sum amount of \$7,339 for ceiling tile replacement in lobby and office areas; 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 under SEA Operating, authorization to amend the existing 401 (a) Retirement Plan to allow for employee hardship withdrawals and the 457 (b) Retirement Savings Plan to allow for employee loans.

Ms. Rosanne Casciato explained that the Authority has a defined contribution 401(a) Retirement Plan covering its full-time employees. The plan was amended and restated as of March 1, 1993 and further amended July 11, 2000. Participation in the 401(a) plan requires an employee to have completed six months of service. Employees are required to make mandatory contributions equal to 5% of their base compensation, on a pre-tax basis. The Authority contributes an amount equal to 7% of an employee's base compensation. Vesting in the Authority's portion of the employee's account is based on years of continuous service. An employee is 100% vested after five years of service.

In 2000, the Authority established a deferred compensation retirement savings plan in accordance with Section 457 of the Internal Revenue Code of 1986. Under the 457(b) plan, employees may voluntarily contribute additional pre-tax monies, up to allowable federal limits.

The Authority does not make a contribution to the 457(b) plan. Eligibility for the 457(b) plan is consistent with the 401(a) plan.

This authorization would permit an amendment to the 401(a) plan, allowing an employee to withdraw money from his/her 401(a) account in the event of an emergency. This authorization would also permit an amendment to the 457(b) plan to permit an employee to borrow from his/her account, on the terms set out in the Authority's basic plan document.

Senator Fontana asked if there were any questions from the Board.

Rev. Grayson asked how the Authority defines an emergency.

Ms. Casciato explained that there is a list of what are called Safe Harbor Rules and the Authority looks to see if the emergency falls under any of those rules. If it does not, the employee must provide evidence that it is an emergency.

Mr. Hanson added that it is largely defined by federal law. The Authority did not write or invent the definition of emergency hardship but merely accepted what the federal law requires.

Councilman Futules asked if this is considered a loan where you pay the money back or if the money is lost once it is used for the emergency.

Ms. Conturo explained that the 401 (a) withdrawal is not a loan. The authorization would permit a hardship withdrawal. You would have the money taken out and pay the taxes due at that point. In the 457 (b), it is structured as a loan.

Councilman Futules asked if there is such a thing as a loan as well.

Ms. Casciato confirmed that there is such a thing as a loan as well.

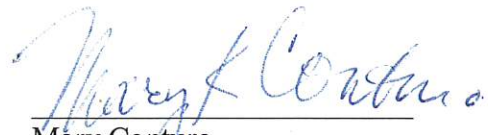
Ms. Conturo explained further that that is not in the Authority's initial documents now. Putting a loan into the 401 (a) is a bit more complicated because all of the terms will need to be defined, and that is the next thing the Authority is going to be looking further into.

Senator Fontana asked if there were any further questions 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. 5594

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to amend the 401 (a) Retirement Plan to allow for employee hardship withdrawals, to amend the 457 (b) Retirement Savings Plan to allow for employee loans, to reconfirm the plan documents, permit for periodic updates and restatements in response to changes in federal tax law, and further that all previous plan actions are reconfirmed and approved and 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 was public participation, and Senator Fontana asked if anyone in the audience desired to address the Board. There being no additional 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 10:54 A.M.


Mary Conturo
Assistant Secretary