

MINUTES OF THE MEETING
OF THE BOARD OF THE
SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH
AND ALLEGHENY COUNTY
HELD THURSDAY, JUNE 13, 2013
AT THE DAVID L. LAWRENCE CONVENTION CENTER
PITTSBURGH, PENNSYLVANIA
COMMENCING AT 9:40 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 13, 2013, commencing at 9:40 A.M. E.S.T.

Members of the Authority

Present: Senator Fontana, Chairman
Michael Dunleavy, Vice-Chairman
Anthony Ross, Treasurer (via telephone)
Sala Udin, Member
Paul McKrell, Member

Absent: Councilwoman Darlene Harris, Member
James Ellenbogen, Member

Also Present: Mary Conturo, Doug Straley, Rosanne Casciato, Rosemary Carroll, Taylor Blice, Theresa Bissell, Rifat Qureshi, and Michelle Masters of the Authority; Ryan Buries, Conor McGarvey, Kevin Fonner, Mark Leahy and Linda Mihalic of SMG; Clarence Curry of CFC-3; Mark McCall of TJS Inc.; Jason Kobeda of Pittsburgh Associates; Scott Wivell of Hill International; Frederick Winkler, architect; and Sarah Keller, citizen

Senator Fontana called the meeting to order with the Pledge of Allegiance, followed by a roll call of the Board Members.

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 of May 9, 2013. 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 enter into a \$325,000 contract with CPS Construction Group, Inc. to install a new traffic topping on the surface of the 2nd floor loading dock.

Mr. Buries explained that during the construction of the south terrace green roof in 2011, an approximately 9,000 square foot section of traffic coating was replaced on the second floor loading dock because of roof leak damage. At the time it was determined that the entire coating needed to be replaced due to heavy usage of the loading dock. The original remediation was designed by the StructureTec Group and a Neoguard coating system was used. A change order to the original StructureTec contract was awarded in December 2011. It included design, preparation of bid documents, and construction administration services. This project was publicly bid in April 2013, with a low bid of \$373,375. A review of the bids in the scope of the bid packages revealed that a reference to the manufacturer's operating and maintenance manual included an extended amount of maintenance that drove the bids higher than expected. The project was rebid in May 2013 with a revised scope that excluded the additional maintenance item. Four contractors submitted bids on May 30, 2013. CPS Construction Group submitted the low bid of \$321,500 for the base bid and the alternate that includes ramps and dock bays of the loading dock.

It is recommended to increase the authorization amount by \$3,500 for additional concrete repairs. If needed, these costs will be based on the submitted unit pricing. CPS Construction Group also provided the lowest unit pricing for this work. StructureTec has reviewed the bids and confirmed that the price is fair. The project will be completed during the weeks of July 8-28,

2013, during a dark period of the Convention Center. The total amount of the request is \$325,000 and includes a five year contractor warranty. CPS has committed to 12% MBE and 2% WBE participation.

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. 5157

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 \$325,000 contract with CPS Construction Group, Inc. to install a new traffic topping on the surface of the 2nd floor loading dock; 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 enter into an \$18,475 contract with Nathan Contracting, LP to install an epoxy coating in the kitchen corridor.

Mr. Buries explained that over time heavy vehicles driving in the Convention Center service corridor between the kitchen and the ballroom entrance have caused the deterioration of the epoxy floor coating. Epoxy coatings provide an anti-slip covering on the floor service and protect the structural integrity of the concrete subfloor. At this time there is no apparent compromise to the integrity of the subfloor; however, it is prudent to install a new epoxy floor coating to restore the original condition and protect the subfloor.

Thornton Tomasetti designed the repair specifications, and based on their budget projection of \$13,000, three quotes were solicited. Carl Walker Construction, CPS Construction,

and Nathan Contracting all submitted prices with Nathan Contracting being low at \$18,475. This project, if authorized, will also be scheduled for between July 8 and July 28, during the dark period, and is expected to take five to ten days to complete. There is no MBE or WBE participation involved in this 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. 5158

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 \$18,475 contract with Nathan Contracting, LP to install an epoxy coating in the kitchen corridor; 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 for CJL Engineering to provide bid documents and oversight for the lighting upgrade project at the Convention Center Garage and North Shore Garage at an amount of \$26,000.

Mr. Blice stated that the Board had previously approved Phase I of CJL's contract for the lighting upgrades for the Convention Center Garage and North Shore Garage for the feasibility analysis for both those facilities. CJL provided the low proposal on both phases, in response to a publicly issued Request for Proposals. Phase II is for the bid documents, construction, administration, and assistance with the Act 129 rebate application. During Phase I Authority staff reviewed several LED fixture options and six were included in the bid packet to assure competitive pricing. The analysis determined a payback of 3.4 years for the Convention Center

Garage and 2.4 years for the North Shore Garage. This analysis includes fixture pricing from the manufacturers, estimated electricity and maintenance savings, and estimated Act 129 rebate.

For Phase II the Authority will enter into a \$12,000 change order for the Convention Center Garage, and Alco Parking will enter into a \$14,000 change order for North Shore Garage in accordance with the terms of the management agreement. There is a 10% WBE participation on the change orders.

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. 5159

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to issue a change order to CJL Engineering for the lighting upgrade project at the Convention Center Garage and cause Alco Parking to issue a change order to CJL Engineering for the lighting upgrade project at the North Shore Garage, at a total amount of \$26,000; 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 Corporation an amount not-to-exceed \$242,464.42 from the Heinz Field Capital Reserve Fund for structural steel and other painting, concrete and caulking repair, hot water tank replacement and carpeting.

Mr. Blice stated that on March 14, 2013, the Authority Board approved the structural steel painting project of the north upper deck support and the building perimeter on the east, west and north. There are four change orders that are being requested. The first is a deduction of

\$76,296 as testing indicated that the epoxy penetrating sealer was not needed in the Upper Deck North, West and East. The second item is a \$29,071.28 addition for overtime and two demobilizations/remobilizing. To complete this project the contractor will need to schedule their work around the concerts and activities in the east and west clubs in June. The third change order request is additional scope for painting quad pod bases, racer seats and sealer coats on pour stops which total \$10,172.50. The final change order requests relates to the painting of 570 north end zone bleacher seating backs. Over the past 13 years the bleacher backs have faded from the original bright yellow to a very pale yellow. The backs vary in length and will need to be removed from the seats and transported off site for the painting due to the process of the specialty coating. Avalotis is on site performing another painting project and their quote of \$28,000 includes loading and unloading seat pieces, transporting them to the shop and prepping and coating the seat backs per manufacturer's specification. They are also providing a two-year workmanship warranty.

Mr. Blice continued, saying that also approved in March was the second phased of the concrete and sealant repair project performed on the east, west and north upper deck horizontal joints. To accomplish this work every third row of sets had to be removed. The contractor, CPS Construction, submitted a quote of \$35,500 to remove the seats and reinstall them upon completion of the work. There are some time-and-materials concrete repairs that are still in process and will be recommended at a future Board meeting.

PSSI has also requested that the 16 120 gallon hot water tanks located in various locations on the upper deck be replaced at a cost of \$59,984. The tanks are original and several of them are beginning to show signs of failing. A tank failing would cause a concession stand and restrooms that it serves to close due to health department regulations. There is also the

potential of water damage to the suites on the level below. The tanks will be replaced by the stadium operations staff. Water Heater Distributors was the low quote of \$62,496.54 for 16 units.

PSSI has further requested that the carpeting be replaced in the administrative, ticketing, events, operations and the Aramark office and the replacement of the Steelers' logos in the locker room. The carpeting is original and in need of replacement. Quotes were solicited and received with Spectra submitting the low bid of \$153,520. The Authority staff has reviewed all requests and feels that all work is prudent and recommends that PSSI be reimbursed in the amount of \$242,464.42.

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. 5160

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 Corporation an amount not-to-exceed \$242,464.42 from the Heinz Field Capital Reserve Fund for various capital projects; 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 ratification of a consultant agreement with Delta Development Group, Inc., who provided a benefit-cost analysis in the preparation of an application for a FY 2013 TIGER Discretionary Grant from the U.S. Department of Transportation for the Lower Hill redevelopment project, for a fee of \$10,000, half of which was funded by the Penguins.

Mr. Qureshi explained that the Authority submitted an application for the TIGER Discretionary Grant on June 3. A key selection criteria requirement of the TIGER application was a benefit cost analysis for the project. The Authority desired expert assistance in producing this benefit cost analysis. In order to meet the time frame in submitting the application, Delta Development Group was hired for the task. Delta's experience includes producing a benefit cost analysis for the East Liberty transit center project, which was awarded a TIGER grant last year. Half of Delta's fixed fee of \$10,000 was provided by the Pittsburgh Penguins. Delta self-performed the work and there was no MBE/WBE participation.

He then asked if there were any further 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. 5161

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to ratify a consultant agreement with Delta Development Group, Inc., who provided a benefit-cost analysis in the preparation of an application for a FY 2013 TIGER Discretionary Grant from the U.S. Department of Transportation for the Lower Hill redevelopment project for a fee of \$10,000, plus approved expenses, half of which was funded by the Penguins; 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 bind all insurances for the period of July 1, 2013 to June 30, 2014, at a cost of \$423,152.

Ms. Casciato explained that in 2011 the Authority issued a request for proposals for insurance brokers. With the assistance of insurance consultant, Mark McCall from TJ&S, the

Authority named James Smith Agency as the broker for property insurance and Willis as the broker for all other insurances for a period of three years, ending June 30, 2014. It was determined that it was important to purchase excess umbrella insurance to provide necessary secondary liability coverage for the various venues.

The strategy for 2013-2014, as provided by the brokers and reviewed by the Authority's insurance consultant, was to approach incumbent insurers and negotiate the most favorable renewal terms and pricing. At the same time, the brokers approached other carriers for alternative pricing.

The Authority Board was provided a summary sheet from TJ&S with their insurance recommendations to renew with the existing carriers. The overall premium increase is 7.2% over the current rates however it is still 1% less than the 2010/2011 program when the new brokers started. These numbers also include a 3.5% increase in values of the Authority's existing property.

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. 5162

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, 2013 to June 30, 2014, at a cost of \$423,152; 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. 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 9:54 A.M.



Mary Conturo
Assistant Secretary