

MINUTES OF THE MEETING
OF THE BOARD OF THE
SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH
AND ALLEGHENY COUNTY
HELD THURSDAY, MARCH 10, 2016
AT THE DAVID L. LAWRENCE CONVENTION CENTER
PITTSBURGH, PENNSYLVANIA
COMMENCING AT 10:31 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 at the David L. Lawrence Convention Center in Pittsburgh, PA 15222, on Thursday, March 10, 2016 commencing at 10:31 A.M. E.S.T.

Members of the Authority

Present: Senator Wayne Fontana, Chairman
Jill Weimer, Member
Sala Udin, Member
Michael Dunleavy, Vice-Chairman
Reverend John Welch, Member
Councilman Dan Gilman, Member

Also Present: Mary Conturo, Doug Straley, Rosanne Casciato, Rosemary Carroll, Taylor Blice, Rifat Qureshi, Tom Ryser, Christina Lynch, and Allison Botti of the Authority; Morgan Hanson, Solicitor; Ryan Buries, Linda Mihalic, Tim Muldoon, Conor McGarvey, Jeremy Donovan, and Heidi Strothers of SMG; Mark Belko, reporter, Pittsburgh Post-Gazette; Jeffrey Bergman of the Western Pennsylvania Conservancy; Tim Pratt of Pittsburgh Associates; Kenneth Miller of Pittsburgh Anti-Sweatshop Community Alliance; Lisa Freeman of Manchester Citizens Corp.; 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. Senator Fontana confirmed that Jill Weimer was attending via telephone and she could hear the other Board Members and the Board Members could hear her. It was determined that a quorum was present.

Beginning with public participation, Senator Fontana asked if any members of the audience would like to address the Board. Hearing none, he continued on to the next item on the agenda, approval of the minutes from the meeting of February 11, 2016. 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, a request for authorization to enter into a Pouring Rights Agreement with Bottling Group, LLC ("Pepsi") to be the exclusive beverage provider and receive exclusive pouring rights at the David L. Lawrence Convention Center.

Mr. Tim Muldoon explained that the SEA's agreement with Coca-Cola Enterprises providing exclusive beverage pouring rights for the David L. Lawrence Convention Center (DLCC) via Levy Restaurants, as well as vending machine service at the DLCC, North Shore Parking Garage and the West General Robinson Street Garage expired in 2015. The five year agreement included \$20,000 per year for four years in sponsorship fees, a \$1 rebate per case of product sold, and 30% commission on vending sales. On December 28, 2015 an RFP was advertised in the Tribune-Review, New Pittsburgh Courier, and posted on the Authority's website. Four companies requested the RFP, and on February 8, 2016, proposals were received from Bottling Group, LLC ("Pepsi") and Coca-Cola Enterprises, Inc. The proposals were reviewed by Rosanne Casciato, Clarence Curry, and Jhason Dixon of the SEA; George Meehan and Dave Wertz of Levy Restaurants; and Tim Muldoon and Linda Mihalic of SMG. The proposals were evaluated on the following factors, among others: Financial Proposal, Product Offerings, Management Approach, MBE/WBE Plan and Workforce Diversity, and Sustainable Practices. The proposal from Pepsi included the most favorable financial proposal, including a \$30,000 upfront payment, a \$25,000 per year sponsorship fee over the five year term, and up to

\$5,000 per year of Pepsi marketing efforts. In addition, 35% commission on vending machine products and rebates per case ranging from \$1 to \$4. While the Pepsi product is slightly more expensive, it is estimated the total package will result in a projected savings of about \$87,000 over the five-year contract term in comparison to Coca-Cola. In addition to the financial package, all concession equipment and vending machines will be replaced with Energy Star rated equipment. Pepsi was asked to provide diversity information for their McKees Rocks facility from which all of the sales and products for the Convention Center will be delivered. Pepsi reported that the local facility currently has a 20% minority workforce. Pepsi has included information on their supplier diversity program in the attached packet. The staff is recommending entering in to a contract with Bottling Group, LLC (“Pepsi”) for a term of five years, subject to renewal for an additional five years if both parties agree.

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. 5382

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 Pouring Rights Agreement with Bottling Group, LLC (“Pepsi”) to be the exclusive beverage provider and receive exclusive pouring rights at the David L. Lawrence Convention Center; 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 continued on to the next item on the agenda, an authorization to approve a final change order with Dan Taylor Interiors, Inc. in a lump sum amount of \$12,916 for additional subfloor repairs completed during the Phase 3 carpet replacement project.

Ms. Linda Mihalic explained that the SEA Board approved a contract for Phase 3 carpet replacement with Dan Taylor Interiors, Inc. on April 9, 2015. Phase 3 includes the replacement of about 107,000 square feet of carpet in the 3rd Floor South and 4th Floor prefunction areas. The change order pertains to the repair of concrete subfloor irregularities on the 3rd Floor prefunction area that were discovered after the original carpet was removed. All repairs are non-structural in nature. Additionally, premium time was required to complete one area to fit the work into the DLCC's events schedule.

Senator Fontana asked if there were any questions from the Board. Mr. Sala Udin asked if it is possible to explore whether or not the removed carpet can be made available to donate to non-profits rather than throwing it away. Ms. Mihalic explained that the carpet is removed in strips, which has the old adhesive on it. She said that in the last phase, they had explored this option, but it was not considered feasible. Ms. Mary Conturo added that we will look at the possibility of donation again when we do the next phase of the carpet project.

Senator Fontana asked if there were any additional 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. 5383

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to approve a final change order with Dan Taylor Interiors, Inc. in a lump sum amount of \$12,916 for additional subfloor repairs completed during Phase 3 carpet replacement 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 continued on to the next item, a request for authorization to enter into a contract with HUB Parking Technology in a lump sum amount of \$100,275 for the purchase and installation of four (4) ZEAG On-Line Entry Stations, four (4) ZEAG On-Line Exit Stations, four (4) Barrier Gates, and an upgrade to the Web Parks System Software with Credit Card Interface.

Mr. Conor McGarvey explained that a 700 parking space garage was part of the original construction of the David L. Lawrence Convention Center. At that time, the revenue control equipment was procured. Lighthouse Electric was the prime contractor; its contract included installation of equipment from CTR Systems for revenue control equipment for the DLCC garage, which equipment was purchased in December 2002. None of the original equipment is under warranty and it has exceeded its useful life. According to Alco Parking Corporation, manager of the DLCC garage, the equipment has been deteriorating at an increasing rate over the last 18 months. As part of the DLCC capital budget for 2016, Alco recommended replacing revenue control equipment at both the entrance and exit stations as well as the pay-on-foot stations. It was determined to phase the replacement over two years with the entrance and exit stations being done in the first year. As the entry stations, exit stations, and barrier gates break down, new replacement parts are no longer available. The DLCC has been forced to buy rebuilt parts that have a limited lifespan versus new parts. When the equipment breaks down, it impacts the experience of the convention center patron and the ability of Alco Parking to adequately operate the garage. CTR Systems was purchased by HUB Parking Technology (“HUB”) in 2013. HUB equipment is the only system compatible with all of the DLCC pay-on-foot stations, credit card only stations, credit card interface system, and the DLCC parking garage accounting system. To ensure that the DLCC was receiving the best price for this purchase, HUB Parking

Technology was asked to share quotes from comparable projects. The pricing on the comparable projects was in line with what HUB submitted on the DLCC project. Both Alco Parking and SMG believe that the December 10, 2015 quote from HUB is fair and reasonable. The lead time for this project is approximately twelve weeks. All equipment has a one year on-site warranty covering all parts, labor, travel, and help desk calls. The equipment has a useful life of ten years. HUB also has a convention center service agreement for all parking revenue control equipment and software in the amount of approximately \$1,500 per month. This equipment will be covered under that agreement.

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. 5384

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 with HUB Parking Technology in a lump sum amount of \$100,275 for the purchase and installation of four (4) ZEAG On-Line Entry Stations, four (4) ZEAG On-Line Exit Stations, four (4) Barrier Gates, and an upgrade to the Web Parcs System Software with Cred Card Interface; 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 continued on to the next item, a request for authorization to enter into a one-year lease with CobblerWorld, LLC for retail space along Penn Avenue.

Mr. Rifat Qureshi explained that at the David L. Lawrence Convention Center, there are currently four retail spaces along Penn Avenue. Currently, the western most retail space is occupied by the Jimmy John's gourmet sandwich restaurant which opened in October 2015.

Avison Young is the Authority's real estate broker and has recommended CobblerWorld, LLC to occupy the eastern most space, which is approximately 252 square feet. CobblerWorld, LLC will utilize the space to sell an assortment of pastries such as cobblers, pound cakes, cheesecakes, pies, and quiche; and beverages such as coffee, tea, smoothies, and juice. CobblerWorld will pre-package its products off-site and will bring them to the on-site space to store them in a commercial refrigerator or freezer. CobblerWorld's hours of operation will be from 7 A.M. to 6 P.M. SMG, general manager of the DLCC, and Levy Restaurants, food and beverage operator of the DLCC, have met with the owner and recommend CobblerWorld, LLC as a tenant. The lease term is for one-year and rent is \$25 per square foot, which includes utilities. The tenant will be responsible for all telecommunication costs and maintenance of the retail space, which includes a back hallway behind the office space, bathrooms located in the back hallway, as well as snow removal in front of the retail space. Parking costs are not included in the rent, but the tenant may request a monthly parking lease at market rate at the Center's Garage. Ms. Terina Hicks is the proprietor of CobblerWorld and has applied for MBE/WBE certification, and will send the Authority the documentation when it is available. Clarence Curry, Senior Diversity Coordinator for the Authority, has reviewed and approved the tenant. CobblerWorld intends to open on May 1, 2016, upon lease execution.

Senator Fontana asked if there were any questions from the Board. Mr. Udin asked why the lease for the tenant is only for one year. Mr. Qureshi replied that Ms. Hicks wanted the lease agreement to be for one year because she is testing the Downtown location and is hoping the location will be popular, after which we will ask her if she would like to extend the lease to enter into a further lease agreement with the Authority. Mr. Udin further asked who the primary customers are for the businesses in the retail space along Penn Avenue. Mr. Qureshi responded

that the Authority's broker, Avison Young, reported most customer traffic specifically at Jimmy John's, is from the areas surrounding Penn Avenue and Downtown, but is also from event attendees when there are events at the DLCC. For CobblerWorld, LLC, we expect the same crowds. Mr. Udin asked if Jimmy John's business has been doing well at this location, and Mr. Qureshi replied that the Authority's broker reported they have. Senator Fontana asked if there were any additional questions from the Board. Reverend Welch asked if CobblerWorld will be using their own freezers and refrigerator in the space and Mr. Qureshi replied that they will. Reverend Welch asked if the purpose of Levy reviewing the proposal is for quality control and Mr. Qureshi confirmed.

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. 5385

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 one-year lease with CobblerWorld, LLC for retail space along Penn Avenue; 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 continued on to the next item, a request for authorization to enter into a license agreement or agreements with the Western Pennsylvania Conservancy for the planting and maintenance of Redbud trees within the North Shore Riverfront Park.

Mr. Taylor Blice explained that the Western Pennsylvania Conservancy ("WPC") will be launching the Pittsburgh Redbud Project this spring in partnership with the City of Pittsburgh and Riverlife Pittsburgh. The purpose of the project is to plant Redbud trees at all the riverbanks

in the City of Pittsburgh. The Eastern Redbud is a small, sturdy tree native to the United States and will grow to about fifteen feet. It has a light to vibrant pink flower, appearing from March to May, and in the fall, it turns bright yellow. These trees are also planted throughout various parts of the City. The Western Pennsylvania Conservancy has requested from the SEA the opportunity to plant 200 trees at the North Shore Riverfront Park, ranging from the Carnegie Science Center to PNC Park this spring. This project will be at no cost to the Authority. The trees will be maintained by the Conservancy through the 2016 and 2017 growing seasons. Responsibility for long-term maintenance of the plantings, beginning in the 2018 growing season, will be with the City of Pittsburgh Forestry Division. The maintenance will entail watering, weeding, and mulching the plants. The planting locations were decided on by a committee comprised of Western Pennsylvania Conservancy staff, SEA staff, and the City of Pittsburgh Forester and partners of the project. A map showing the planting locations for each event is provided. The tree planting events will be coordinated by the Western Pennsylvania Conservancy with assistance from Friends of the Riverfront and Tree Pittsburgh. The tree planting will be based on the TreeVitalize community volunteer tree planting model where planting dates are set will in advance and volunteers are recruited to participate in the planting and trained by the WPC staff to plant the trees properly. The scheduled planting dates are April 2, April 19, and April 23, 2016. All of the tree planting events will take place between 7:30 A.M. and 1:00 P.M.

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. 5386

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 license agreement or agreements with the Western Pennsylvania Conservancy for the planting and maintenance of Redbud trees within the North Shore Riverfront Park; 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 continued on to the next item under Lower Hill Project, a request for authorization to file an application requesting a Gaming Economic Development Fund grant from the Redevelopment Authority of Allegheny County in an amount of \$500,000 to be used for the I-579 “Cap” Urban Connector Project.

Mr. Qureshi explained that the Authority is requesting assistance from Gaming Economic Development Fund (“GEDF”) for funding of the I-579 “Cap” Urban Connector Project in an amount up to \$500,000 towards construction costs of the project. The “cap” project is a key element of the overall Lower Hill infrastructure work. The project will provide for a renewed physical connection between the Hill District and Downtown and will create a new public urban open space. It will incorporate safe, accessible pedestrian and bicycle routes, sustainable stormwater management and energy strategies, and will provide for other fixed site components. The “cap” will provide for multi-modal connections for the community to access centers of employment, education and services Downtown. The “cap” will also help to maximize the public benefits to be derived from the private mixed-use development being planned just east of the “cap” 28-acre site. The “cap” project will additionally help to spur further development, and create jobs, businesses and investment in the Greater Hill District neighborhood. The grant request will be for up to \$500,000 towards the construction costs of the project. The overall

“cap” budget is estimated at \$33 million, and can be constructed in phases as funding is identified. The “cap” project is currently in final design which is expected to be completed in May of 2017. The GEDF application is due April 29, 2016 and the award announcement is estimated for the third Quarter of this year.

Senator Fontana asked if there were any questions from the Board. Mr. Udin asked if the Board could get a status update from the director on the status of the development in the Lower Hill in light of the fact that the U.S. Steel anchor tenant plan seems to be on hold, and that he would like to continue updates going forward. Ms. Conturo replied to Mr. Udin that she liked his idea and will get this organized.

Senator Fontana asked if there were any additional 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. 5387

Resolution of the Sports & Exhibition Authority of Pittsburgh and Allegheny County ("SEA") authorizing the filing of an application for funds with the Redevelopment Authority of Allegheny County ("RAAC").

WHEREAS the SEA is desirous of obtaining funds from the RAAC in the amount of \$500,000.

NOW THEREFORE, BE IT RESOLVED, that the SEA does hereby formally request a grant from the RAAC for the I-579 "Cap" Urban Connector Project.

BE IT FURTHER RESOLVED, that the SEA does hereby designate Mary K. Conturo (the "Authorized Official") as the official to file all applications, documents, and forms between the SEA and the RAAC.

BE IT FURTHER RESOLVED, that the Applicant is hereby authorized to enter in the Grant Contract between the applicant and the RAAC (the "Grant Contract") and any and all documents related to the Grant Contract as may be required or necessary (said Grant Contract and other documents are collectively referred to as the "Grant Documents").

BE IT FURTHER RESOLVED, that the execution and delivery of the Grant Documents as well as other agreements, writings and documents (and all changes, modifications and additions thereto) executed and delivered in connection with the transactions contemplated thereby be and hereby be approved and ratified and that the Authorized Official be and hereby is authorized to execute and deliver such documents.

BE IT FURTHER RESOLVED, that the SEA assures, where applicable, the provision of the full local share of the project costs.

BE IT FURTHER RESOLVED, that the SEA assures, that the project will be awarded or under construction within 180 days after contractual execution.

Senator Fontana continued on to the next item, a request for authorization to enter into agreements with professional service firms providing for fees and expenses in an amount not-to-exceed \$20,000 for the purpose of providing ongoing professional services for assistance in the preparation of applications and contracting for funding of the Lower Hill Redevelopment Project.

Mr. Qureshi explained that the Authority is managing the design and construction of the Lower Hill infrastructure roadway work, the I-579 “Cap” Urban Connector Project, and other public projects. In February of 2016, the U.S. Department of Transportation announced a new round of funding under the TIGER Discretionary Grant program (Transportation Investment Generating Economic Recovery). The Authority may require assistance in the preparation of an application for the fiscal year 2016 TIGER Grant, including a benefit cost analysis, additional research and graphics, and other work related to securing funding for the Lower Hill Projects. This year’s TIGER application is due April 29, 2016 and award announcement is estimated in the third quarter of this year.

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. 5388

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to enter into agreements with professional service firms providing for fees and expenses in an amount not-to-exceed \$20,000 for the purpose of providing ongoing professional services and other expenses to assist in securing funding for the Lower Hill Redevelopment 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 continued on to the next item, a request for authorization to enter into a no cost change order with Frank J. Zottola Construction to modify the scope of Element I Lower Hill Infrastructure based on unit pricing.

Mr. Tom Ryser explained that in December of 2014, the Board approved the authorization to enter into a contract with Frank J. Zottola Construction in a unit price not-to-exceed an amount of \$11,470,000 for the construction of the Element I roadway. The Element I roadway originally consisted of the base bid for construction of new Streets Two, Three, Four, and the eastern portion of Street Five (Wiley Avenue), which are identified as the streets shaded in red and pink in Exhibit A attached to the board action. The bid package also contained an alternate with the option to not construct Street numbers Three and Four, which are identified as the pink streets. We are requesting to modify the Element I scope of work to not construct Streets Three and Four, and instead construct the middle portion of Street Five and all of Street One, which are represented with orange shading. Therefore, we are asking to modify Element I to be construction of all of the red and orange shading. Because the contract with Zottola is a unit price not-to-exceed contract based on anticipated quantities, we are able to identify the items and quantities related to not constructing Streets Three, Four, and the items and quantities related to constructing Street One and the middle portion of Street Five. Once the project is complete, the quantities will be finalized, and any quantity overruns or underruns will be identified.

Senator Fontana asked if there were any questions from the Board. Reverend Welch said he did not understand the reason the project is a change order. Mr. Ryser replied that because the Penguins are now doing the design for the residential project, we have been asked not to construct Streets Three and Four at this time. We are working with them because we have unit prices and the quantities. We believe that it would be best to construct the orange sections,

which will create completed Streets numbers One and Two, and Wiley Avenue connecting to Street One, which we believe will help the overall development of the project. Reverend Welch confirmed with Mr. Ryser that this change order ties to the Penguins' housing development project, not to any issues with U.S. Steel. Mr. Ryser replied that not constructing Streets Three and Four were tied to the residential development. He said it was a group decision to help the development to complete all of Street One from Centre Avenue to Bedford Avenue at this time.

Mr. Udin asked how the plan submitted by Bjarke Ingels Group (BIG) figures into the current redesign of the project, or whether or not their plan affected the street construction. Mr. Ryser responded that when BIG developed their plan, the street grades, elevations, and locations were already set, so BIG developed their design anticipating that these streets will be completed at these elevations, widths, and other factors. BIG was working with this current street grid, and they adjusted their plan to conform to the street grid. The BIG plan is basically a serpentine walkway that weaves around the streets that are already built, which are the streets shaded in red and orange in Exhibit A. Ms. Conturo confirmed that BIG took the streets shaded in orange and red as streets already built, and their plan is an overlay of that. BIG recognized that this work had already been underway, and their design takes that into account.

Mr. Udin said he did not understand why it was requested that we not build Streets Three and Four, and whether they are planning to construct a residential development that will not utilize these streets. Mr. Ryser said they have not yet seen their layout. Mr. Straley added that the BIG plan alters and does not show Streets Three and Four, but this planning has not yet been approved. Mr. Udin asked if this meant that they will build the development without Streets Three and Four. Mr. Straley replied that eventually those streets could be built privately as alleys, or with a different configuration we have not seen yet. Mr. Udin requested that perhaps

this information could be part of the review and follow-up with the Board. Ms. Conturo confirmed and said that it is a priority for the Authority to determine where to spend their money on the project. She noted that we are pretty well sure of Streets One and Two. That is where we believe we should spend our money next. The design of Streets Three and Four is still available, so as we get the next piece of funding, we will figure out where to go next. Mr. Morgan Hanson commented that the Board originally approved starting construction of the streets shaded pink and red, but not the streets shaded orange. He said it makes sense to give the Board this opportunity to review, comment, and ask questions about the modifications.

Reverend Welch asked that with the reduction in costs, will the MBE/WBE participation also be reduced? Mr. Ryser replied that there is a slight reduction in MBE to WBE participation. The original bid for Streets Three and Four contained excavation and potential environmental remediation. Some of that work included MBE and WBE participation. Since we are not constructing Streets Three and Four, and there was not as much environmental contamination as anticipated, so there is savings for the project. However, it reduced the MBE and WBE participation. Working with Zottola, we have reallocated some of the MBE/WBE participation. We have added a minority landscaper, as well as where we are purchasing the precast concrete. The original WBE participation was 11% and 25% MBE participation; with the revised scope of work, it is now 15.1% WBE participation and 16.5% MBE participation. Therefore, this was a slight reduction of participation, but it was mainly related to the savings we had from Streets Three and Four.

Councilman Gilman asked what the timeline of completion of the orange and red sections will be with this new plan. Mr. Ryser said Street Two and the eastern portion of Street Five is scheduled to be complete by July of 2016 and Street One and the portion of Street Five between

Street One and Two is anticipated to be completed by December of 2016. Councilman Gilman also asked if prior to this, if the orange sections had been bid at all. Mr. Ryser confirmed they had not.

Senator Fontana asked if there were any additional 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. 5389

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 no cost change order with Frank J. Zottola Construction to modify the scope of Element I Lower Hill Infrastructure based on unit pricing; 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 continued on to the next item, a request for authorization to enter into a no cost change order with SAI Consulting Engineers, Inc. to modify the scope of Element I Lower Hill Street Infrastructure based on a fixed hourly rate.

Mr. Ryser explained that this request is similar to the previous item. In September 2014, the Board approved the authorization to enter into an agreement with SAI Consulting Engineers, Inc. for a fixed hourly rate amount not-to-exceed \$485,445 for the inspection of the Element I roadway. We are requesting to modify the Element I scope to not construct Streets Three, Four, and instead construct the middle portion of Street Five and all of Street One. SAI would perform the inspection on the modified Element I scope of work.

Senator Fontana asked if there were any additional 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. 5390

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 no cost change order with SAI Consulting Engineers, Inc. to modify the scope of Element I Lower Hill Street Infrastructure based on a fixed hourly rate; 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 continued on to the next item under North Shore Lot 1 Parking Garage; a request for authorization to amend and supplement the 2010 PNC/Dollar Banks loan documents in order to support the financing of the Stadium Authority's Lot 1 Garage.

Ms. Rosanne Casciato explained that the Stadium Authority is undertaking the design and construction of a new parking garage in Lot 1 of the North Shore lots. To help cover the costs of the project, the Stadium Authority will borrow up to \$15 million from PNC and Dollar Banks under the Terms and Conditions on the attached term sheet. The SEA currently has outstanding a 2010 loan from PNC/Dollar Bank related to the financing of the North Shore Garage. The Stadium Authority currently has outstanding a 2012 loan from PNC/Dollar Bank for financing of the West General Robinson Street Garage. The two authorities have jointly pledged parking collateral to help secure the loan of the other. This cooperation has enabled these existing financings to occur and this structure is being extended to finance the Lot 1 Garage. In May, 2017 the existing 2012 and 2010 loans come due. At that time the two existing loans, along with the Lot 1 construction loan, will be refinanced.

Senator Fontana asked if there were any questions from the Board. Councilman Gilman asked if through this action, in no way we would extend the life of any agreements. Ms. Conturo confirmed.

Senator Fontana asked if there were any additional 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. 5391

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to amend and supplement the 2010 PNC/Dollar Banks loan documents in support of the financing of the Stadium Authority's Lot 1 Garage; 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 continued on to the next item under North Shore Garage, a request for authorization to enter into an agreement for the sale of Liquor License R-8966.

Ms. Rosemary Carroll explained that the Authority owns rights to a liquor license that was used by the tenant who leased space at the North Shore Garage. Annual costs to hold the license include required payments to the Pennsylvania Liquor Control Board, which fees consist of \$5,000 for safekeeping and a renewal fee of \$750. A buyer is available for the liquor license at a fair price. The lawyer with a specialty in liquor licenses who has worked with the Authority over the past years, as well as an outside broker, both advised that the purchase price is at market rate. This action would authorize sale of the license and payment of costs associated with the sale of the license, including obtaining a tax clearance certificate from the Pennsylvania Department of Revenue.

Senator Fontana asked about the process for the sale of a liquor license. Ms. Carroll said the process is that the buyer signs an agreement, the Pennsylvania Liquor Control Board clears it, and then we close on the sale, and this is intended within the next 90 days. Councilman Gilman

asked who the buyer of the liquor license is. Ms. Carroll replied she does not know the buyer and explained that brokers for various buyers search the records at the PLCB, contact the attorneys related to those buyers, and the attorneys ensure that the deal is at market rate. Councilman Gilman expressed his concern that there are often concerns from City Council or neighborhoods about new establishments and businesses that are against what the community wants. He asked if this were a city license. Ms. Carroll said this is a City of Pittsburgh license and that is the reason the price as it is. Senator Fontana recommended asking the Authority's attorney, Flaherty & O'Hara, who the buyer is, and if the buyer has a location for the liquor license.

Mr. Udin asked if this is the only license we have, and Ms. Carroll confirmed. Councilman Gilman asked that once the Authority approves the item, what the timeframe is if there are any factors that concern us for the sale of the license. Ms. Carroll replied that we would like to get the Purchase and Escrow Agreement under agreement as soon as possible, so the PLCB process can be commenced. Mr. Morgan Hanson added that if the will of the Board is to have a contingency allowing re-review of the Board approval, then this would need to be included in the agreement. Councilman Gilman asked if the item could be authorized today, but within the next few days, to find out if there are any concerns about proceeding with the sale of the license. Ms. Conturo confirmed this action can be authorized today without the agreement being executed unless Mr. Gilman was comfortable with the purchaser. Mr. Udin asked if the additional information regarding the purchaser would be given to the full Board, and Ms. Conturo confirmed.

Senator Fontana asked if there were any additional 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. 5392

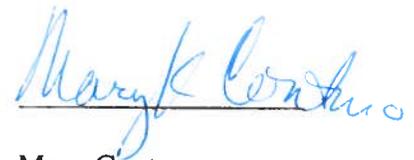
RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to enter into an agreement for the sale of Liquor License R-8966 to Vitmore, LP, for \$81,000 and to pay the expenses related to the Liquor License and its sale; 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 if there were comments from the Board Members. Ms. Lisa Freeman, resident and homeowner from Manchester, and board member of Manchester Citizens Corporation, expressed an interest. She said she attended the meeting to remind the Sports & Exhibition Authority of her request from the meeting last month that she would like to meet with the Authority to discuss the negative impact that events at Heinz Field have on the Manchester community. Ms. Conturo replied to Ms. Freeman that she appreciated her comment and that we will follow up to schedule a meeting. Mr. Udin and Reverend Welch said they would also be interested in attending the meeting.

Senator Fontana asked if any additional members of the audience would like to address the Board. Mr. Kenneth Miller expressed an interest. Mr. Miller said he resides at 1306 Sheffield Street on the North Side. He expressed his concerns about human rights and the Pittsburgh Pirates apparel and the connection to our community. Mr. Miller distributed the latest edition of *Black Cat Moan*, an anti-sweatshop publication for the Bangladesh working group of

the International Solidarity Commission. Senator Fontana thanked Mr. Miller and informed him that his time was up.

Senator Fontana asked if there were any comments from the Board. There being no additional comments or business, Senator Fontana asked for a motion to adjourn. Upon a motion duly made, seconded a unanimously carried, the meeting was adjourned at 11:16 A.M.



Mary Conturo
Assistant Secretary