

**STADIUM AUTHORITY OF THE CITY OF PITTSBURGH
BOARD MEETING
TUESDAY, JUNE 14, 2016
3:32 P.M. E.S.T.**

A general meeting of the Board of Directors of the Stadium Authority of the City of Pittsburgh was held upon proper notice on June 14, 2016 in Room 333 of the David L. Lawrence Convention Center. Board members in attendance: Stanley Lederman, Chairperson; Jay Anderko, Secretary; Michael Danovitz; James Malanos, Vice-Chairman; and Reverend Brenda Gregg, Treasurer and Assistant Secretary; as well as Authority staff members: Mary Conturo, Doug Straley, Tom Ryser, Rifat Qureshi, Rosanne Casciato, Rosemary Carroll, Clarence Curry, Marie Fehik-Kirk, Allison Botti, Caitlin Fadgen, and Giuseppe Orsini. Also in attendance: William Merchant sitting in for Diane Wohlfarth, as Solicitor; Tim Pratt of Pittsburgh Associates; Joe Tavella and Josh Wells of Massaro Corporation; Bob Bauder, Pittsburgh Tribune-Review; Mark Belko, Pittsburgh Post-Gazette; and Frederick Winkler, architect.

Mr. Lederman called the meeting to order at 3:32 P.M. and requested that everyone rise for the Pledge of Allegiance. Thereafter, Mr. Merchant proceeded with a roll call of the Board Members, and advised a quorum was present.

The following agenda items were discussed:

1. Public Participation

Mr. Lederman asked if any members of the public would like to speak. Seeing none, Mr. Lederman moved to the next item on the agenda.

2. Approval of the Minutes from the special meeting of May 26, 2016.

A motion to approve was made, seconded and carried. The Minutes were accepted. Mr. Lederman continued on to the next item on the agenda.

3. New Business

The first item read was:

- A. Authorization to amend the construction management agreement with Massaro Corporation to provide for a guaranteed maximum price of \$22,589,176 for the construction of the Lot 1 Parking Facility.

Mr. Doug Straley explained that in February of 2016, the Stadium Authority Board authorized entering into a construction management contract with Massaro Corporation for preconstruction services in the amount of \$21,050 and general conditions up to an amount of \$592,477. The overhead construction fee and profit percentage was set at 2.5% of the cost of the work. Today we are setting the overall cost for the guaranteed maximum price the construction manager

would provide, which is the actual cost of constructing the parking facility. This guaranteed maximum price for the project is done by an authorization of an amendment to the existing contract previously approved. This board authorization would set the guaranteed maximum price at \$22,589,176. This amount is based on 50% construction drawings plus two further clarifications. There are two allowances within the guaranteed maximum price, which would be to cover any foundation removals over \$55,000 or any obstruction drilling over \$30,000.

The contractor is responsible for building the project for the guaranteed amount and is responsible for cost overruns, unless the guaranteed maximum price has been increased via a formal change order, only as a result of additional scope from the client, and not as a result of price overruns, errors, or omissions. This guaranteed maximum price does not include any restrooms at this time, as we are still working through adding them at a later date within a year, per city requirement.

All the remaining construction contracts will be publically bid in the name of the Stadium Authority, authorized by the Stadium Authority Board, and assigned to Massaro as a construction manager.

After approvals made at this meeting today, there are five remaining bid packages, including general trades, electrical, mechanical, plumbing, and landscaping projects for the Lot 1 Parking Facility. The guaranteed maximum price also allows us to obtain a LEED Gold certification for a Parksmart Certification (formerly Green Garage Certification). The estimated construction start is the end of June, with a completion date of spring of 2017.

Mr. Lederman asked if any Board Members had any questions. Hearing none, he asked for a motion to approve.

The motion to approve was made, seconded and the following resolution was passed:

RESOLUTION NO. 30 (2016)

RESOLVED by the Board of the Stadium Authority of the City of Pittsburgh that its Executive Director and other proper officers are authorized to amend the construction management agreement with Massaro Corporation to provide for a guaranteed maximum price of \$22,589,176 and related matters for the construction of the Lot 1 Parking Facility; 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.

The next item read was:

- B. Authorization to enter into a \$9,874,000 lump sum contract with Sidley Precast Group for Lot 1 Parking Facility Bid Package No. 1: Structural and Architectural Precast, with the contract being immediately assigned to the Construction Manager, Massaro Corporation.

Mr. Tom Ryser explained that as Mr. Straley had mentioned, the guaranteed maximum price construction manager, Massaro, had anticipated seven (7) bid packages for the Lot 1 Parking Facility, and this board action is for the first bid package, structural and architectural precast.

A notice to bidders was advertised in the Pittsburgh Tribune-Review and the Pittsburgh Courier; and was posted on the SEA website. An MBE/WBE community outreach meeting was held on April 25, 2016 at the New Hazlett Theater. A pre-bid meeting was held on April 20, 2016. Two (2) bids were received from PennStress and Sidley Precast Group. Bids were due on May 4, 2016. Massaro reviewed the bids and is recommending award of the contract to Sidley Precast Group for a base bid of \$9,874,000.

Mr. Lederman asked if any Board Members had any questions. Hearing none, he asked for a motion to approve.

The motion to approve was made, seconded and the following resolution was passed:

RESOLUTION NO. 31 (2016)

RESOLVED by the Board of the Stadium Authority of the City of Pittsburgh that its Executive Director and other proper officers are authorized to enter into a \$9,874,000 lump sum contract with Sidley Precast Group for Lot 1 Parking Facility Bid Package No. 1: Structural and Architectural Precast, with the contract being immediately assigned to Construction Manager, Massaro Corporation; 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.

The next item read was:

- C. Authorization to enter into a \$3,345,000 lump sum contract with Massaro Corporation for Lot 1 Parking Facility Bid Package No. 2: Foundations, Sitework, and Elevators, with the current contract being immediately assigned to the Construction Manager, Massaro Corporation.

Mr. Ryser explained that the construction management contract provides that Massaro Corporation is permitted to self-perform certain work of the project in accordance with bidding procedures that assure a fair and arms-length bidding process. Prior to issuing any bid packages,

Massaro Corporation provided a procedure that requested for them to be able to bid on bid packages number two (2) and three (3). Because Massaro Corporation was bidding on bid package number two (2), Authority staff reviewed and opened the bids submitted. A notice to bidders was advertised in the Pittsburgh Tribune-Review and the Pittsburgh Courier; and was posted on the SEA website. MBE/WBE community outreach meetings were held on April 25 and May 10, 2016. A third minority and female workforce community outreach meeting was held on June 6, 2016. A pre-bid meeting was held on May 18, 2016 and at that meeting all bidders were informed of the Construction Manager's right to submit a bid to self-perform the work being bid. Four (4) contractors submitted bids on June 8, 2016 including DiMarco Construction, Mascaro Construction, Massaro Corporation, and Waller Corporation. The bids ranged from \$3,345,000 to \$4,118,000, and Massaro Corporation submitted the lowest responsible bid of \$3,345,000.

Mr. Lederman asked if any Board Members had any questions. Hearing none, he asked for a motion to approve.

The motion to approve was made, seconded and the following resolution was passed:

RESOLUTION NO. 32 (2016)

RESOLVED by the Board of the Stadium Authority of the City of Pittsburgh that its Executive Director and other proper officers are authorized to enter into a \$3,345,000 lump sum contract with Massaro Corporation for Lot 1 Parking Facility Bid Package No. 2: Foundations, Sitework, and Elevators, with the contract being immediately assigned to Construction Manager, Massaro Corporation; 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.

The next item read was:

- D. Authorization to enter into an agreement with Construction Engineering Consultants, Inc. in an amount not-to-exceed \$46,324, to be billed based on unit price, hours and quantities, for construction testing and inspection services for the Lot 1 Parking Facility.

Mr. Ryser explained that on April 26, 2016, the Authority issued a request-for-proposal notice to seek testing and inspection services for the construction of the Lot 1 Parking Facility. The Authority posted a notice on the Authority's website, contacted multiple testing and inspection firms, and advertised in the Pittsburgh Tribune-Review and the Pittsburgh Courier. Proposals were due May 13, 2016, and five (5) firms submitted proposals including Civil & Environmental

Consultants; Construction Engineering Consultants; Professional Service Industries; Triad Engineering; and SAI Consulting Engineers.

The review team consisted of Doug Straley, Clarence Curry, Senior Diversity Coordinator for the Authority, and Tom Ryser, Consulting Engineer for the Authority, with support from Rich DeYoung of WTW Architects and Josh Wells of Massaro Corporation. The review team evaluated the proposals and after clarifications from both Construction Engineering Consultants and Professional Service Industries the review team recommends Construction Engineering Consultants for construction testing and inspection services for the Lot 1 Parking Facility.

Mr. Lederman asked if any Board Members had any questions. Hearing none, he asked for a motion to approve.

The motion to approve was made, seconded and the following resolution was passed:

RESOLUTION NO. 33 (2016)

RESOLVED by the Board of the Stadium Authority of the City of Pittsburgh that its Executive Director and other proper officers are authorized to enter into an agreement with Construction Engineering Consultants, Inc. in an amount not-to-exceed \$46,324, to be billed based on unit price, hours and quantities, for construction testing and inspection services for the Lot 1 Parking Facility; 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.

The next item read was:

- E. Authorization to bind builder's risk insurance with Berkley Fire & Marine Underwriters at a cost not-to-exceed \$14,077 and enter into a project control loss oversight agreement with Willis Towers Watson, the Authority's insurance broker, to be billed based on hourly rates up to \$16,800.

Mr. Straley explained that Willis, the Authority's insurance broker, approached three (3) insurance carriers on behalf of the Authority for builder's risk insurance for the Lot 1 Parking Facility for a one (1) year time period. Willis received two (2) responses with Berkley Fire & Marine Underwriters being selected as the lowest bid and the lowest deductible at \$5,000. Berkley is rated as an A+, and there will be no increase in the general liability insurance because of additional exposure as originally anticipated.

The second part of this authorization relates to a proposal from Willis to provide loss control and safety oversight for the construction of the Lot 1 Parking Facility. This is an hourly agreement at \$175 per hour for the construction duration, capped at an amount not-to-exceed \$16,800. Some of the key components of Willis' scope of services include the following items:

- Consult with the Authority and contractor to review compliance with OSHA and contractor's safety program.
- Provide eight (8) hours of oversight per month of the parking garage construction site
- Participate in pre-installation meeting of high hazard work to be performed and
- Provide a review of the contractor's site safety activities.

Mr. Lederman asked if any Board Members had any questions. Hearing none, he asked for a motion to approve.

The motion to approve was made, seconded and the following resolution was passed:

RESOLUTION NO. 34 (2016)

RESOLVED by the by Board of the Stadium Authority of the City of Pittsburgh that its Executive Director and other proper officers are authorized to bind all builder's risk insurance with Berkley Fire & Marine Underwriters at a cost not-to-exceed \$14,077 and enter into a project control loss and safety oversight agreement with Willis Towers Watson, the Authority's insurance broker, to be billed based on hourly rates up to \$16,800; 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.

The next item read was:

- F. Authorization to enter into a supplement to the substitute space agreement with ALCO Parking for North Shore Option Area parking spaces.

Mr. Rifat Qureshi explained that the surface parking lots between Heinz Field and PNC Park, known as Gold Lots 1-5 are owned by the Stadium Authority. ALCO Parking Corporation is the Authority's parking operator for these lots. The lots are either 1) leased to ALCO Parking Corporation pursuant to the Lease Agreement dated November 30, 1999 and still in effect, or 2) managed by ALCO Parking Corporation pursuant to a management agreement with the Stadium Authority.

As presented in previous board actions today, the Authority is in the process of planning construction of a six-story parking facility in Gold Lot 1 ("Lot 1 Parking Facility"). The

Authority and ALCO desire to re-count the actual number of spaces in the lot to take into account i) spaces taken by the new Lot 1 Parking Facility, ii) the addition of new striped spaces in Gold Lot 2, and iii) other adjustments in the past few years due to ongoing development and the necessary re-striping in the lots.

The recalculation of parking spaces and their allocation as between lease spaces and management spaces will supplement the substitute space agreement and related agreements between the Authority and ALCO.

Mr. Lederman asked if any Board Members had any questions. Hearing none, he asked for a motion to approve.

The motion to approve was made, seconded and the following resolution was passed:

RESOLUTION NO. 35 (2016)

RESOLVED by the by Board of the Stadium Authority of the City of Pittsburgh that its Executive Director and other proper officers are authorized to supplement appropriate agreements including, but not limited to, a substitute space agreement with ALCO Parking for North Shore Option Area parking spaces to provide for a recalculation and reallocation of spaces; 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.

The next item was:

- G. Authorization for a five-year maintenance agreement with HUB Parking Technology USA Inc. for West General Robinson Street Garage revenue control equipment.

Mr. Qureshi explained that the parking revenue control equipment and software used at the West General Robinson Street Garage is made and maintained by HUB Parking Technology, formerly CTR Systems Incorporated. The equipment has been utilized at the West General Robinson Street Garage since its opening in 2006. The equipment and software is proprietary to HUB and it cannot be serviced by other vendors. The Authority previously approved a maintenance agreement for the HUB equipment and software in the West General Robinson Street Garage in 2006, and extended it in 2011.

Maintenance services include, but are not limited to, repair or replacement of parts, preventative maintenance, standard software upgrades, help desk diagnostic and technical assistance, among others. Discounts on new software purchases and re-training are provided, if desired.

The current annual maintenance rate has not increased and the cost remains \$14,367. ALCO, the Authority's operator for the garage, has recommended extending the agreement to June 30, 2021 at the existing rates and conditions, and based on HUB's effective service to date and reasonable costs of service. The agreement can be terminated if the equipment is no longer used at the facility. ALCO will enter into the agreement on the Authority's behalf. Assignment language is included in the agreements to ensure that if a new parking operator is selected, the new operator will assume responsibilities of the HUB agreements.

Mr. Lederman asked if any Board Members had any questions. Hearing none, he asked for a motion to approve.

The motion to approve was made, seconded and the following resolution was passed:

RESOLUTION NO. 36 (2016)

RESOLVED by the by Board of the Stadium Authority of the City of Pittsburgh that its Executive Director and other proper officers are authorized to consent to a five-year maintenance agreement with HUB Parking Technology USA Inc. for West General Robinson Street Garage revenue control equipment; 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.

The next item read was:

- H. Authorization to consent to a parking license agreement between ALCO Parking and Northbank Hotel Group, L.P., to provide non-exclusive use of parking spaces in Green Lot 21, Green Lot 22, and Green Lot 23 for parking for a planned hotel.

Mr. Qureshi explained that Northbank Hotel Group, L.P., a developer, is planning to develop a ten-story, 130-room hotel on a property north of the Allegheny LRT Station, which is west of Heinz Field. The property has an existing five-story building and the Developer is proposing to add five additional floors to create the ten-story hotel. The hotel project was approved by the City Planning Commission in May 2016, with the condition that a valet parking agreement be presented to City Planning for review prior to issuing a building permit.

ALCO Parking is the Authority's parking operator for surface lots known as Green Lots 21, 22, and 23 near the proposed hotel site. The Developer requested from ALCO non-exclusive use of 129 parking spaces in support of valet parking for the future hotel; one space for each hotel guest room, including at least four handicapped spaces. ALCO recommends providing non-exclusive

use of parking spaces in the Green Lots. The agreement will be between ALCO and the Developer, with the consent of the Authority. This arrangement is similar to other hotels on the North Shore.

The term of the agreement is for twenty years, with options to extend for two additional terms of 5 years each, at the Developer's discretion. With respect to the license fee, the fee will be based on a blended market rate of daily and event rates, as calculated by ALCO. The fee will be mutually agreed upon between ALCO and the Developer prior to the hotel opening, in an initial amount up to \$18 per parking space, per day or portion of a day, for spaces used or spaces reserved for football game days. The license fee will be reviewed annually and approved by the Authority. With respect to use of the spaces for Pittsburgh Steelers or University of Pittsburgh football game days, the Developer will reserve spaces annually in advance and prior to the commencement of the football season. For use for other events held at PNC Park, Heinz Field (other than football game days), and/or Stage AE, the Developer will contact ALCO no later than 2:00 P.M. the day prior to event to inform it regarding the number of hotel guests who have booked rooms and will need access to parking spaces. Payment for those spaces will be monthly based on the actual number of spaces used in previous month.

A real-time tracking and reporting system will be developed by the Developer and ALCO, and will be in place sixty days prior to the hotel opening. Costs related to initial modifications to existing Green Lots parking equipment to accommodate valet service will be split between ALCO and the Developer. For other improvements, the Developer may, at its sole cost, install and maintain any ALCO approved landscaping, fencing, and lighting/video surveillance equipment. For other maintenance, ALCO at its sole cost and effort, shall keep parking areas paved and in good order, including striping, removal of snow and ice, etc. ALCO and the Developer will split the cost of maintaining parking equipment. Any damage to equipment by hotel employees, invitees, contractors, agents, and/or hotel guests will be borne by the Developer.

If the Green Lots are no longer available for parking, ALCO and the Authority will work in good faith to relocate the same number of parking spaces to another Authority/ALCO owned parking lot within a reasonable distance. If spaces are not available, then the Developer may terminate the agreement. With respect to schedule, the Developer is currently in the design phase. Construction for the hotel is expected to commence in the first quarter of 2017.

Mr. Lederman asked if any Board Members had any questions. Mr. Michael Danovitz asked why the Developer will only pay an initial amount up to \$18 for spaces reserved for Steeler or Pitt football game days, instead of the \$40 event rate. Ms. Mary Conturo replied that for ease of ALCO's administration, a flat rate of \$18 will be paid daily, which, on average, is equivalent to the \$40 event rate.

Mr. Lederman asked if there were any other questions or comments from any Board Members. Hearing none, he asked for a motion to approve. The motion to approve was made, seconded and the following resolution was passed:

RESOLUTION NO. 37 (2016)

RESOLVED by the Board of the Stadium Authority of the City of Pittsburgh that its Executive Director and other proper officers are authorized to join in or consent to a parking license agreement between ALCO Parking and Northbank Hotel Group, L.P., to provide non-exclusive use of parking spaces in Green Lot 21, Green Lot 22, and Green Lot 23 for parking for a planned hotel; 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.

The final item read was:

4. Public Participation

Mr. Lederman asked if there were any comments from the Board. Hearing none, Mr. Lederman asked if there were any additional comments from the public. Hearing none, he asked for a motion to adjourn. The motion was seconded and unanimously carried.

The meeting was adjourned at 3:59 P.M.