

**STADIUM AUTHORITY OF THE CITY OF PITTSBURGH**  
**BOARD MEETING**  
**TUESDAY, NOVEMBER 22, 2016**  
**9:05 A.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 November 22, 2016 in Room 333 of the David L. Lawrence Convention Center. Board members in attendance: Stanley Lederman, Chairperson; Michael Danovitz; James Malanos, Vice-Chairman; Jay Anderko, Secretary; and Reverend Brenda Gregg, Treasurer and Assistant Secretary; as well as Authority staff members: Mary Conturo, Doug Straley, Tom Ryser, Rifat Qureshi, Rosemary Carroll, Clarence Curry, Simona Loberant, Maggie Pike and Sara Payne. Also in attendance: Diane Wohlfarth, Solicitor; Hiedi Strothers, SMG; Jack Barbour and Jason Wrona, Buchanan, Ingersoll, Rooney, PC; Mark Belko, Pittsburgh Post-Gazette; Bryan Stroh and Tim Pratt, Pittsburgh Associates; Merrill Stabile, Alco Parking Corporation and Frederick Winkler, architect.

Mr. Lederman called the meeting to order at 9:05 A.M. and requested that everyone rise for the Pledge of Allegiance. Thereafter, Ms. Wohlfarth proceeded with a roll call of the Board Members, and advised that 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 meeting of August 2, 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 enter into an amendment to the contract with WTW Architects with respect to the Lot 1 Parking Facility, providing for (A) a lump sum amount of \$18,425 plus expenses estimated at \$550 for architectural design services to add restrooms to garage, (B) an amount up to \$80,435 plus expenses estimated at \$1,200 for design services to add a photovoltaic array to the sixth floor, and (C) an amount up to \$91,447 for unforeseen conditions.

Mr. Tom Ryser explained that this authorization addresses a second amendment to the WTW Architects contract which would provide for design services for public restrooms, photovoltaic arrays and for work regarding the foundations.

At the April 16, 2016 City Planning hearing, City Planning approved the construction of the garage contingent upon the Stadium Authority fitting out the first floor of the parking garage with accessible public restrooms within one year of issuance of the occupancy permit. This additional scope of services is for the design of the public restrooms, which will consist of a men's and women's restroom with a total of seven water closets, three urinals, and six sinks.

The second item is for the design of the solar array to be placed on the sixth floor of the garage.

The third item is related to foundation modifications based on information gathered during the submittal process to confirm the loading assumptions made during the design of the foundation. In addition, some modifications need to be made because of unforeseen conditions. For example, the contractor encountered some existing deep foundations from Three Rivers Stadium, so the foundations had to be modified to avoid those.

The MBE/WBE participation related to this amendment is 41% MBE (A&A Consultants Inc.) and WBE 23% (Advantus Engineers, LLC).

Ms. Mary Conturo noted that the garage is on schedule and within budget. The Authority has been awarded one grant from West Penn Power and has another grant pending, which will fund installing solar panels on the roof of the garage. The second item is to do the architectural work, so the solar array is embedded within the original design. The solar panels are anticipated to cover most of the electricity costs to keep the lights on in the garage.

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. 44 (2016)**

RESOLVED by the Board of the Stadium Authority of the City of Pittsburgh that its Executive Director and other proper officers are authorized enter into an amendment to the contract with WTW Architects with respect to the Lot 1 Parking Facility, providing for (A) a lump sum amount of \$18,425 plus expenses estimated at \$550 for architectural design services to add restrooms to garage, (B) an amount up to \$80,435 plus expenses estimated at \$1,200 for design services to add a photovoltaic array to the sixth floor, and (C) an amount up to \$91,447 for unforeseen conditions; 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 extend the expiration date of the Option Period for takedown of the North Shore development first Follow-On Parcel until September 1, 2017 and of the second Follow-On Parcel until May 31, 2018.

Ms. Mary Conturo explained that under the option agreement with the teams there is something called the follow-on parcels, which are the last two development parcels remaining along North Shore Drive. Under the option agreement, those are the two parcels focused on being completed. The end of the option period for the first parcel is December 1, 2016. The Authority is working with the teams on the development that is being proposed for that parcel. The seven-story office building is currently going through the design process, but it is not able to meet the December 1 deadline. The Authority is looking to extend the expiration date to September 1, 2017 to help finish that development.

The document provided for the second parcel to have a deadline of May 31, 2017. The Authority recognizes that it is not optimal to have two developments going on at one time, and it is not likely that this deadline will be met. The Authority is looking to have an extension to May 31, 2018 for that parcel.

In accordance with the Option Agreement, event day parking revenue for surface spaces in the area between the ball park and the stadium (other than the 1,100 permanent spaces as described in the team leases) are deposited to the Development Fund. The Development Fund is accounted for on a 12-month fiscal year basis beginning each April 1. All deposits for the fiscal year that begins April 1, 2016 will be released to and for use by the Authority. It is projected that \$244,981 in new funding will be released to the Stadium Authority.

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. 45 (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 extend the expiration date of the Option Period for takedown of the North Shore development first Follow-On Parcel until September 1, 2017 and of the second Follow-On Parcel until May 31, 2018; 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 agreements with professional service firms in an amount not-to-exceed \$20,000 for the purpose of providing ongoing professional services.

Mr. Rifat Qureshi explained that the Stadium Authority is currently involved in projects requiring professional consulting services such as design review, construction estimating, appraisals and other development related matters to the Option Area.

The most recent Option Area projects included the Fifth Take-Down Parcel and Sixth Take-Down Parcels (building fully leased summer 2016) and the multi-use plaza project in Parcel 6 (opened in July 2016). A prior authorization for use of professional services was approved by the Board in March 2013.

The next Option Area take down project is located in Parcel 14 (parking Lot 3). To meet the professional services associated with the next take down, staff recommends authorization in an amount up to \$20,000. Different firms may be used depending on the firm's area of expertise and the needs of the Authority. The cost of professional services will be paid from the Stadium Authority Operating Budget, or respective project budget.

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. 46 (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 agreements with professional service firms in an amount not-to-exceed \$20,000 for the purpose of providing ongoing professional services; 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 engage Cameron Professional Services Group for auditing services for the fiscal year ending March 31, 2017 at a price not-to-exceed \$11,000.

Ms. Rosanne Casciato explained that Magee Maruca and Associates have been the SA auditors for over 10 years.

An RFP was issued for auditing services September 7. The notice was posted on the SEA website, published in the Pittsburgh Tribune-Review and Pittsburgh New Courier, and emailed to 43 firms, including three MBE firms.

Nine firms requested a copy of the RFP. Two proposals were received. The review committee, which was comprised of Board Members Rev. Brenda Gregg and Jim Malanos, SEA Staff, and Clarence Curry, interviewed the two firms on October 27.

After reviewing the proposals and interviewing the firms, the committee recommends that the Authority engage Cameron Professional Services as the auditors. The committee evaluated the firms based upon fee and technical proposals and MBE/WBE participation. Cameron has over 25 years of accounting, auditing and financial services experience, has worked on audits for the Port Authority, Parking Authority and Housing Authority, and they are a 100% MBE and WBE firm.

The engagement with the auditor is made a year at a time. With this Board action, we are authorizing Cameron to perform the audit for the 12-month period ending March 31, 2017.

A Single Audit is required when federal funds are received. At this point, it is not anticipated a Single Audit is needed for the fiscal year ending March 31, 2017.

Mr. Lederman asked if any Board Members had any questions. Mr. Danovitz thanked Magee Maruca Associates for their 10 years as the Authority auditors.

Hearing no other questions or comments, Mr. Lederman asked for a motion to approve.

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

**RESOLUTION NO. 47 (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 engage Cameron Professional Services Group for auditing services for the fiscal year ending March 31, 2017 at a price not-to-exceed \$11,000; 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 enter into a management agreement for the Lot 1 garage and extend the West General Robinson Street Garage agreement with Alco Parking Corporation through December 31, 2026.

Mr. Doug Straley explained that the West General Robinson Street Garage (WGRSG) management agreement ends December 31, 2016 and the Lot 1 garage will be complete in spring 2017. Staff recommends an extension and amendment of the WGRSG management agreement and entering into a management agreement for the Lot 1 garage, each through December 31, 2026.

The reasons for the recommendation are:

1. The interconnection of existing long-term agreements, rights and responsibilities of Alco, the SEA, the SA and teams require continued and ongoing cooperation and collaboration to support events, development and parking, which will become more difficult if the rights and responsibilities are dispersed even further to include various parking operators. The two garages are surrounded by surface parking lots, which Alco has a leasehold interest until March 2050.
2. The WGRSG management fee is based on the results of the 2011 RFP for a parking operator. The amount of \$48,000 in 2017 is the same amount as paid per that agreement for the past four years. This would also eliminate the incentive fee. The fee equates to 1.5% of net operating income. The Lot 1 garage (1,000 spaces) fee would be \$42,000, which is halfway between WGRSG (1,200 spaces) and North Shore Garage (925 spaces) garage fees. The 2017 Lot 1 Garage fee would be prorated as of when the garage opens. The management fee would increase 2.5% annually after 2017. The fee proposal is supported as being fair and reasonable when compared to regionally located and/or government operated parking facilities.
3. There are economies of scale with the garages and surrounding surface parking that will result in operating savings to the SA; the savings just with respect to WGRSG are approximately \$72,000 annually.
4. Past performance has shown Alco to be well qualified in the management of parking systems. Net operating income has steadily increased at WGRSG. The Garage is at or near capacity for daily and event parking.
5. Alco will continue to contribute 25% to SA's commitment to the Port Authority regarding the Free Fare Zone, which is \$55,000 based on 2016 fee.
6. As part of this agreement, Alco agrees to Team lease requirements on parking and payments for parking as stipulated in the Team Leases.
7. This agreement would allow the Authority to finance 50% of the cost to buyout any future Alco leasehold spaces over the term of this management agreement. Currently, the buyout of a parking space is \$8,308 per space.

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. 48 (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 management agreement for the Lot 1 garage and extend the West General Robinson Street Garage agreement with Alco Parking Corporation through December 31, 2026; 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 9:27 A.M.

