

MINUTES OF THE MEETING  
OF THE BOARD OF THE  
SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH  
AND ALLEGHENY COUNTY  
HELD THURSDAY, APRIL 9, 2020  
AT THE DAVID L. LAWRENCE CONVENTION CENTER  
PITTSBURGH, PENNSYLVANIA  
COMMENCING AT 10:39 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 on Thursday, April 9, 2020 commencing at 10:35 A.M. E.S.T. Due to the COVID-19 pandemic and guidance from public health experts, the meeting and was conducted remotely via the online conferencing platform Zoom.

Members of the Authority

Present: Sen. Wayne Fontana, Chairman  
Michael Dunleavy, Vice Chairman  
Sala Udin, Secretary  
Jill Weimer, Treasurer  
Councilman Anthony Coghill, Member  
Councilman Nicholas Futules, Member  
Rev. Glenn Grayson, Member

Also Present: Mary Conturo, Doug Straley, Rosanne Casciato, Bill Williams, Rhea Thomas, Rifat Qureshi, Michael Wassil, Simona Loberant, Lauren Henderson, and Maggie Pike of the Authority; Morgan Hanson, Solicitor; Tom Ryser of TPR; Clarence Curry of CFC-3 Management Services; Tim Muldoon and Guy DeFazio of SMG; J.J. McGraw of the Pittsburgh Pirates; Mark Belko, Post-Gazette; users “TSondo” and “Edward Wrenn.”

Senator Wayne Fontana called the meeting to order with the Pledge of Allegiance. Mr. Morgan Hanson followed with a roll call of the Board Members. Mr. Hanson advised that a quorum was present.

Beginning with public participation, Senator Fontana asked if any members of the audience would like to address the Board. Members of the public were offered participation by

emailing before the meeting or by making a comment via Zoom. Lauren Henderson stated that the Authority had not received any prior comments via email and none were submitted via Zoom thus far. Senator Fontana thanked Ms. Henderson and moved to the next item on the agenda, approval of the minutes from the meeting of February 13, 2020. A motion was made, seconded and unanimously approved.

Senator Fontana continued on to the next item on the agenda under David L. Lawrence Convention Center (“DLCC”), authorization to issue a final 4<sup>th</sup> Floor Green Roof Phase 1 amendment to the existing agreement with Wiss, Janney, Elstner Associates, Inc. (“WJE”), in an amount up to \$61,161 to be billed at hourly rates based on actual hours spent, including expenses for construction inspection services, and to enter into an agreement with WJE in an amount not-to-exceed \$49,000 to be billed at hourly rates based on actual hours spent, including expenses, for design peer review for 4<sup>th</sup> Floor Green Roof Phase 2.

Mr. Tom Ryser stated the board action request consists of two parts. The first part of the request is to issue an amendment to WJE’s agreement to complete the 4<sup>th</sup> Floor Green Roof Phase 1 currently being constructed. In February 2016, the Board authorized an agreement with WJE to provide design peer review and construction inspection. The original scope of work anticipated design peer review and construction inspection for one roof construction contract. After WJE was hired, the Authority decided to break up the project into five separate construction contracts. By breaking the project up into separate construction contracts, WJE was able to review additional drawings, specifications, submittals, shop drawings and perform additional construction inspection for 4 of the 5 separate construction contracts. One of the roof construction contracts took longer than anticipated to complete which resulted in additional meetings and inspections for WJE. The WJE additional costs related to the additional meetings

and inspections was \$6,760 which amount is being paid from a corresponding deduction from the roof construction contract. Furthermore, after the project began, the City of Pittsburgh Department of Permits, License and Inspection required special inspection reports be submitted. The work to secure the special inspection reports left a shortfall in funds to complete the 4<sup>th</sup> Floor Green Roof Phase 1. The amendment for \$61,161 will satisfy the funds needed to complete that work. The M/WBE participation with this amendment would be 14.9% WBE through ED3 who provided an inspector as part of the WJE team.

The second part of the request is to authorize entering into agreement with WJE in an amount not-to-exceed \$49,000 for design peer review for the 4<sup>th</sup> Floor Green Roof Phase 2. A separate Request for Proposals (“RFP”) for building enclosure commissioning and construction inspection services was issued in February 2020. The scope of the work included the development of a commissioning plan which entails a design peer review and extends through the construction inspection and warranty period to ensure the roof system has been designed, constructed, tested, and is functioning as anticipated. The architect is responsible for the performance of the design, and the contractor is responsible for the performance of the construction.

The RFP was advertised in the Pittsburgh Post-Gazette and the New Pittsburgh Courier, posted to the Authority’s website and distributed to a list of 17 consultants. Seven firms attended a pre-proposal conference on March 5, 2020. Three proposals were received. Upon review of the proposals, the review team recommends WJE.

This board authorization is only for the portion of the proposal related to design peer review of the 4<sup>th</sup> Floor Green Roof Phase 2 project, in an amount not-to-exceed \$49,000. The scope of work in the RFP also included construction inspection work, and WJE’s proposal for

that work is for an amount not-to exceed \$149,000. That work will not be contracted for at this time and will be brought back to the Board for authorization at a later date, when the construction contracts are bid.

WJE's proposal includes 30% MBE participation with A&A Consultants providing construction inspection services. However, this 30% MBE participation is for construction inspection work, and that work is not included in this \$49,000 authorization.

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. 5676**

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to issue a final 4<sup>th</sup> Floor Green Roof Phase 1 amendment to the existing agreement with Wiss, Janney, Elstner Associates, Inc., in an amount up to \$61,161 to be billed at hourly rates based on actual hours spent, including expenses for construction inspection services, and to enter into an agreement with WJE in an amount not-to-exceed \$49,000 to be billed at hourly rates based on actual hours spent including expenses, for design peer review for 4<sup>th</sup> Floor Green Roof Phase 2; 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 on the agenda, authorization to issue a change order with T.S.B. Inc. dba Schultheis Electric in a lump sum amount of \$65,260 for the purchase and installation of ten upgraded fire alarm panels and additional labor relating to fire alarm repairs.

Mr. Guy DeFazio explained that the Board authorized an agreement with Schultheis Electric in the amount of \$480,000 in September 2019. The project was designed by the

engineering firm McKim & Creed as a replacement of the existing Siemens fire alarm panel, which had reached the end of its useful life. Thirty fire alarm panels were to be replaced throughout the building. After the installation of the new equipment, the contractor tested the system and discovered an unforeseen issue related to the existing wiring, which carries the signal from new fire alarm panels in Exhibit Halls A, B, and C to the main fire system panel. The signal wiring to those ten exhibit hall panels is 38.5ohms and the replacement panels required a line resistance of less than 10ohms. A series of meetings were held with Authority staff, SMG staff, McKim & Creed, Schultheis Electric and Open Systems, a sub-consultant of Schultheis Electric and a Siemens authorized representative. As a result of the meetings, two corrective options were presented. The first option was to replace the existing power supply to provide more power existing wiring to the ten panels in the exhibit halls. The cost of the first option was approximately \$100,000 and had a six-week time frame. The second option was to replace the newly installed fire alarm panels in Exhibit Halls A, B, and C with upgrade panels. The cost of the second option was \$53,500 and had a three to four-week time frame, including delivery, installation, and testing. The preferred and less expensive solution was option two.

The change order amount of \$53,500 includes \$12,000 in labor and \$41,500 for the equipment. The Authority received a credit of \$6,000 on the equipment that was purchased and installed but did not work. The extra costs are related to the more expensive panels and labor costs for additional troubleshooting and testing to identify and repair multiple device faults. This additional troubleshooting work was not in the original scope and was completed in January 2020. The final system was inspected and approved by the City of Pittsburgh Department of Permits, Licenses, and Inspections on February 11, 2020. An additional 60 speaker/strobe devices were discovered to be in need of replacement, but are not included in this change order.

They do not prevent the system from being fully operational and are being addressed separately by DLCC staff and under an existing fire alarm maintenance agreement with Johnson Controls. This change order includes 7.49% MBE participation through Emerald Electrical Services.

Senator Fontana asked if there were any questions from 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. 5677**

RESOLVED by the Board of the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to issue a change order with T.S.B. Inc. dba Schultheis Electric in a lump sum amount of \$65,260 for the purchase and installation of ten upgraded fire alarm panels and additional labor relating to fire alarm repairs; 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, authorization to enter into an agreement with Unique Services & Applications Incorporate in a not-to-exceed amount of \$17,459 for flag retrieval and flag pole repair services.

Mr. DeFazio stated that in 2012, an American Flag that was flying on the X-10 line at DLCC was damaged by the lightning arrest rod at the top of the flag pole. In July 2012, the Board approved a contract with Safeway Services, LLC in the amount of \$8,704 to erect scaffolding and then Unique Services & Applications Inc. (“Unique Services”) climbed the rest of the mast and flag pole to retrieve the flag. The total cost for this was approximately \$13,000.

Late in 2019, an American flag was stuck at the top of the pole on X-10 once again. This time, it was a result of the bottom grommet (an eyelet that holds a cable) of the flag becoming detached from the flag. The rope to pull the flag down stayed connected to the detached grommet

while the rope to pull the flag up stayed attached to the remaining intact grommet. The remaining rope wrapped itself around the lightning arrest ball, preventing gravity from eventually working the flag down.

SMG investigated using a drone to remove the flag but was unable to identify any companies to perform the flag removal or that would be able to repair the broken grommet to allow for a new flag to be flown.

Initially, a price of \$23,164 was proposed by Unique Services and their scaffolding company. After further discussions, a price not-to-exceed \$17,459 is proposed. Unique Services is the only company in Western Pennsylvania, that we are aware of, qualified to perform this work in a safe manner. SMG recommends awarding the agreement to Unique Services and this work will take place once the Governor's emergency order is lifted. Unique Services is a 100% WBE.

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

Councilman Nicholas Futules asked if there were any lower cost options.

Mr. DeFazio stated the cost consists largely of the scaffolding work needed to reach the bottom of the flag pole and scale and remove the flag.

Councilman Futules asked where the flag is located on the building and if a crane could be used.

Mr. DeFazio stated that staff looked into using a crane and it was not feasible because the building is so tall at the point of the flag that a crane would not be able to reach it.

Ms. Mary Conturo stated that the flag is at the top of the sloped roof. The repair is not a normal pole at ground level.

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. 5678**

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County its Executive Director and other proper officers are authorized to enter into an agreement with Unique Services & Applications Incorporate in a not-to-exceed amount of \$17,459 for flag retrieval and flag pole repair services; and further that the proper officers and agents of the Authority are authorized to take all action and execute such documents as are necessary and proper to effectuate the terms of this Resolution.

Senator Fontana introduced the next item under Heinz Field, authorization to reimburse PSSI Stadium Corporation in an amount not-to-exceed \$104,160 from the Heinz Field Capital Reserve Account for an emergency escalator repair and Phase II concrete and sealant project.

Mr. Bill Williams explained on October 28, 2019, Escalator 22 had an internal part detach and become lodged in the lower portion of the escalator. With the escalator moving in the downward direction, nineteen steps were damaged beyond repair making the escalator inoperable. With a football game scheduled for November 3, 2019, an emergency repair was required in order to repair the escalator. The steps were replaced on November 1, 2019. The Authority's elevator/escalator consultant (VTX) reviewed the escalator on site, as well as the associated documentation. VTX determined that this repair is not covered under typical maintenance and would be considered an emergency repair. The Heinz Field lease stipulates an emergency repair as a repair which if not immediately made, would endanger the health and safety of any one or more persons working in or attending an event in the Stadium, would cause imminent damage to any significant component of the Stadium, or would render the Stadium, or

any material portion of its mechanical, electrical or plumbing systems or other significant component thereof, unusable for previously scheduled events. The emergency repair cost was \$20,749 and PSSI's insurance covered all costs except the deductible in the amount of \$10,000. There is a one-year warranty for labor and material. This authorization is for the \$10,000 deductible to be paid from the capital reserve fund.

Last year, PSSI began a multiple phase concrete and sealant repair project. With Phase I approved by the Board on May 9, 2019. CPS Construction Group ("CPS") was the successful bidder. The Phase II scope of work is associated with the lower deck bowl precast front tub wall, which is the first row wall of the lower deck seating bowl at Heinz Field. The scope of work includes the grout pack replacement and repairs of the railings, the routing and sealing of all cracks, repairing spalled concrete, and addressing the exposed reinforcement, delamination, scaling, voids and honeycombs. The waterproofing and repairs will aid in prolonging the useful life of the structural systems. These repairs have been recommended by CannonDesign in their annual Facility Condition Assessment report.

The CPS 2019 bid for the phase II identified work is \$82,160 plus up to \$12,000 for Construction Engineering Consultants Inc. for testing and inspection services including any special inspector as required by the City. PSSI has suggested that an additional \$75,000 allowance be authorized to cover work for additional repairs that may be identified during the course of the project. At this time, Authority staff does not recommend approving this repair allowance. Any such costs can be submitted in a future change order with appropriate backup documentation. The CPS bid included unit prices with a no escalation clause for any changes that would arise. There is 11.7% MBE with Waller Corporation providing demolition services.

The joint sealant warranty is 2 years and all other items are 1 year. This project is expected to be completed by September 1, 2020.

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. 5679**

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County its Executive Director and other proper officers are authorized to reimburse PSSI Stadium Corporation in an amount not-to-exceed \$104,160 from the Heinz Field Capital Reserve Account for an emergency escalator repair and Phase II concrete and sealant 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 introduced the next item under SEA Operating, authorization to enter into a one-year electricity contract for the David L. Lawrence Convention Center and North Shore Parking Garage.

Mr. Doug Straley explained that since 2012, the Authority has participated in the Western PA Energy Consortium to purchase electricity with other governmental entities, such as the City, County, PWSA, URA, the Pittsburgh Zoo, and Carlow University. In the past, a reverse auction had occurred, whereby electricity suppliers would place bids online with their rate for a two or three year period. The last auction occurred in March 2017 and at that time, the consortium agreed to enter into agreements with Direct Energy for large users, which includes DLCC, and Hudson Energy for medium users, which includes the North Shore Garage. Both of those agreements expire in May 2020. The consortium members discussed in March how to proceed and decided to extend the agreements for another twelve-month period with the same terms and

conditions as the existing agreements. Direct Energy agreed to the extension, but Hudson Energy wanted to add additional fees due to current market conditions. Authority staff has received the indicative pricing from Direct Energy for DLCC and North Shore Garage and the rates provided for both facilities are lower than existing rates.

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. 5680**

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County its Executive Director and other proper officers are authorized to enter into a one-year electricity contract for the David L. Lawrence Convention Center and North Shore Parking 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 introduced the next item on the agenda, authorization to extend the term of the Standby Bond Purchase Agreement with PNC Bank for the Authority's 2007 arena bonds from May 1, 2020 to May 1, 2025.

Ms. Conturo explained that this authorization is with respect to the Authority's 2007 bonds, which are variable rate bonds. This means the interest rate is reset, in this case, every seven days. The structure of the bonds requires a remarketing agent to resell the bonds every seven days if one of the holders wishes to no longer hold it. The structure also requires that there be a Standby Bond Purchase Agreement so that if the remarketing agent is not able to find a buyer in the specified time frame, there are funds available to buy back the bond. The Standby Bond Purchase Agreement original to the 2007 bonds was issued by PNC Bank and they are the remarketing agent. This obligation is covered by the insurer of the bonds.

The Authority and its financial advisor, PFM, negotiated with PNC Bank to extend the Standby Bond Purchase Agreement before the markets were disrupted by the COVID-19 pandemic. The cost of the extension is less than the existing terms and locks those lower costs in for five years. PFM recommends the five-year term. There is a Commonwealth Lease related to the arena bonds and the Commonwealth has reviewed the terms of the extension and concurs. The cost of the Standby Bond Purchase Agreement and extension is the cost of the financing that is covered by monies in the Trust Indenture.

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. 5681**

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County its Executive Director and other proper officers are authorized to extend the term of the Standby Bond Purchase Agreement with PNC Bank for the Authority's 2007 arena bonds from May 1, 2020 to May 1, 2025; 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 on the agenda, acceptance of the Sports and Exhibition Authority audit for the years ending December 31, 2019 and December 31, 2018.

Mr. Michael Wassil stated that MaherDuessel prepared the Independent Auditor's Report for the years ending December 31, 2019 and December 31, 2018. MaherDuessel is issuing an unmodified opinion, which means the Authority's financial statements present fairly, in all material respects, the financial position of the Authority. There were no significant deficiencies, findings or questioned costs related to the audit and no management letter was issued. A schedule of expenditures of federal awards was also required for this audit period, as more than

\$750,000 of federal awards were expended in 2019. A federal audit was not required for the year ending December 31, 2018. Finally, a Parking System Report was completed per the SEA Parking System Revenue Bonds, Series of 2017. The auditors from MaherDuessel have reviewed these findings with the Authority's Chairman and Treasurer. The management discussion and analysis section of the financial statements discusses the financial condition of the Authority.

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. 5682**

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that the Independent Auditor's Report for the years ending December 31, 2019 and December 31, 2018 prepared by MaherDuessel is hereby accepted; 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.

The next item was public participation, and Senator Fontana asked if anyone in the audience desired to address the Board.

Ms. Henderson stated that no members of the public have submitted a comment through the Zoom chat function. She then un-muted the microphones of all users in the call to see if there was anyone with a comment.

Mr. Udin stated that he wanted to notify the Board that the Governor had ordered all schools to be closed through the remainder of the school year.

Senator Fontana thanked Mr. Udin for his comment and asked for any further comment. Hearing none, he thanked Ms. Henderson for organizing the first remote Authority Board

Meeting. He then encouraged physical distancing and practicing efforts to mitigate the spread of COVID-19.

There being no additional comments or business, Senator Fontana asked for a motion to adjourn. Upon a motion duly made, seconded and unanimously carried, the meeting was adjourned at 11:09 A.M.

  
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Mary Conturo  
Assistant Secretary