

MINUTES OF THE MEETING
OF THE BOARD OF THE
SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH
AND ALLEGHENY COUNTY
HELD THURSDAY, MAY 9, 2019
AT THE DAVID L. LAWRENCE CONVENTION CENTER
PITTSBURGH, PENNSYLVANIA
COMMENCING AT 10:37 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 the DLCC Executive Board Room in Pittsburgh, PA 15222, on Thursday, May 9, 2019 commencing at 10:37 A.M. E.S.T.

Members of the Authority

Present: Sen. Wayne Fontana, Chairman
Michael Dunleavy, Member
Councilman Nicholas Futules, Member (via phone)
Rev. Glenn Grayson, Member
Sala Udin, Member
Jill Weimer, Member (via phone)

Also Present: Mary Conturo, Doug Straley, Rosanne Casciato, Bill Williams, Rhea Thomas, Rifat Qureshi, Sharon Mink, Simona Loberant, Rachel Cohen and Maggie Pike of the Authority; Morgan Hanson, Solicitor; Clarence Curry of CF3 Management; Tim Muldoon, Ryan Buries, Conor McGarvey, Kevin Fonner, Hiedi Strothers and Kevin Mielcarek of SMG; Mark Belko of the Pittsburgh Post-Gazette; 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. Mr. Hanson confirmed that Nicholas Futules and Jill Weimer were attending via telephone, and that they could hear the other Board Members and the Board Members could hear them. 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. Seeing none, he moved to the next item on the agenda, approval of the minutes from the meeting of April 11, 2019 and the minutes from the recall of the recessed April 11, 2019 meeting on April 16, 2019. 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 enter into a three-year contract (\$24,183 for 2019-2020, \$24,960 for 2020-2021 and \$25,760 for 2021-2022) with Trinity Automated Solutions for service and support of the HVAC and waste water treatment plant software and hardware control systems, with the option for two one-year extensions (\$26,680 for 2022-2023 and \$27,620 for 2023-2024).

Mr. Ryan Buries explained that in 2014, a regional Alerton representative informed SMG and SEA staff that they entered into a long-term agreement making Trinity Automated Solutions (TAS), at the time known as Deckman Control Systems (DCS), Alerton's authorized representative for Western Pennsylvania. The attached letter from the Alerton Regional Manager affirms that TAS is still the only authorized Alerton dealer for Western Pennsylvania and West Virginia, and thus the only firm with access to vital support, service and supply of warranted Alerton parts.

In 2014, the Authority entered into a service and support agreement with the authorized representative (then known as Deckman), for service and support and commissioning of the building automation system, field level and network level controllers.

The ongoing commissioning process is required for LEED certification, which is performed on a rotating, three-year basis (i.e. it is performed in a third of the building each year so that the entire building is commissioned every three years).

In 2014, CJL Engineering had been working with the Authority to resolve troubles that were being had with the building automation system. At the time CJL was recommending changing from an Alerton system because the local service and support companies prior to Deckman were inadequate. When Deckman became the authorized representative, CJL reviewed their staff, personnel and expertise and submitted a letter stating, at the time, that they believed Deckman was qualified and that their costs were fair and in fact below market value.

As the DLCC progressed with Deckman, the DLCC has recertified with LEED in 2017 in large part due to Deckman's efforts. Deckman's commissioning efforts initially were projected to result in a rebate of \$30,000-\$50,000. The actual rebate was \$83,000 and additionally the high cost avoidance of replacing the entire Alerton system with a different manufacturer was avoided in 2014.

Throughout the support contract, TAS (formerly known as Deckman) personnel have been responsive to the needs of the DLCC and have consistently provided exceptional service in a timely manner. This high level of service coupled with competitive fees and hourly rates allows SMG to make the recommendation to award a new contract for the HVAC scope.

In May 2015, a RFP was issued to solicit proposals for the upgrade of automated controls of the waste water treatment plant (WWTP) at the DLCC. Three proposals were received for this work. TAS was selected based on criteria including the lowest up-front cost for the hardware and the lowest ongoing support fee. The agreement entered into in 2015 expires in October 2021. TAS has offered a modified proposal to a) honor the pricing from the existing agreement through

October 2021 and b) provide for pricing escalations in line with their overall proposal (~3% annually) to extend the support agreement for the WWTP to co-terminate with the support agreement for the HVAC systems. As the third party operator of the WWTP, Veolia Water North America (Veolia) was consulted regarding TAS's performance to date. Veolia has indicated that TAS has surpassed their expectations and in many cases gone above and beyond any reasonable expectation of service and support for the WWTP system. Veolia has also provided a letter of recommendation for the extension of the agreement with TAS, and they have also indicated verbally that the proposed costs are below what they're paying for similar support services on the other projects that Veolia manages.

The annual costs are provided in your packets. The total amount, \$9,598.33, was already authorized by this Board in May 2015 as part of the existing support contract for the WWTP.

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

Councilman Nicholas Futules asked how often TAS is in the building performing maintenance.

Mr. Buries explained that TAS visits quarterly for approximately a week at a time to service the HVAC side and quarterly but for less time to service the WWTP, they also provide remote service and phone service which our steam fitters take advantage of as needed. There are also two emergency service calls allowed annually in this price. Additional service calls beyond that are billed at the hourly rates which are included in the packet.

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. 5607

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 three-year contract (\$24,183 for 2019-2020, \$24,960 for 2020-2021 and \$25,760 for 2021-2022) with Trinity Automated Solutions for service and support of the HVAC and waste water treatment plant software and hardware control systems, with the option for two one-year extensions (\$26,680 for 2022-2023 and \$27,620 for 2023-2024); 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, authorization to enter into an agreement with Hranec Sheet Metal, Inc. in the amount of \$45,495 for chilled water plant east cooling tower fan motors; 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.

Mr. Kevin Mielcarek explained that the DLCC chiller plant includes two cooling towers, east and west. The DLCC can operate normally with one cooling tower. Each tower has three motors. Last year the west cooling tower fan motors were replaced. In order to maintain the facility's peak efficiency, the east components need to be replaced as well. SMG and Veolia recommend replacing all three motors in the east cooling tower in 2019. Replacing the motors is more cost effective than rebuilding them due to their age and location on the roof. The existing components are original to construction and there are no applicable warranties.

This project was advertised in the Pittsburgh Post-Gazette, the New Pittsburgh Courier and on the SEA website. This was the second time this project was advertised for bid. The first time was in February 2019 when only one bid was received.

The project manual was sent directly to ten contractors. A non-mandatory pre-bid meeting was held on April 4, 2019 with seven companies in attendance. Six bids were received with Hranec being the low responsible bid.

Upon approval and execution of the agreement, work will begin in June 2019 with a target completion of September 1, 2019. There is a one-year warranty for labor and a five-year warranty on parts. There is 49% MBE participation.

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

Mr. Sala Udin asked if Mr. Mielcarek could describe what the MBE participation in the contract entails.

Mr. Mielcarek explained that Nexus Construction will be providing the labor as it is a major part of this project. Bill Taylor is the owner.

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. 5608

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 enter into an agreement with Hranec Sheet Metal, Inc. in the amount of \$45,495 for chilled water plant east cooling tower fan motors; 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 authorization to extend term of lease with CobblerWorld, LLC from May 25, 2019 to May 25, 2020 for retail space along Penn Avenue.

Mr. Rifat Qureshi explained that CobblerWorld, LLC has been a tenant of the building since 2016. They occupy the small eastern-most retail space along Penn Avenue, and it is

approximately 252 sq. ft. in size. CobblerWorld sells cobblers, pound cakes, cheesecakes, pies, quiches, and assorted beverages.

A one-year lease was authorized by the Board in March 2016 and one-year extensions have been approved by the Board in 2017 and 2018.

Terina Hicks is the owner, and has requested an additional year extension under the same terms. She sells her products at various local farmers markets and to restaurants and grocery stores in city neighborhoods and the surrounding region, and she also caters various events where she uses her products. The DLCC retail space is one of the three storefronts she operates in the City. The others are in East Liberty and Mt. Oliver. In the past year Ms. Hicks informed the Authority that she has been expanding her business by adding more wholesale accounts and is also now selling in Ohio. In the upcoming year, she intends to continue to grow her business by adding new partnerships and accounts.

The annual base rent is \$6,300 (or \$25 per sq. ft.) with utilities included. She employs one minority female to staff the retail space.

Authority staff recommends the one-year extension, as it is an effective use of the space and an added amenity along Penn Avenue.

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

Rev. Glenn Grayson mentioned that he recently attended an event at the August Wilson Center where her desserts were served. He found it to be a quality product.

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. 5609

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County its Executive Director and other proper officers are authorized to extend term of lease with CobblerWorld, LLC from May 25, 2019 to May 25, 2020 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 introduced the next item under Heinz Field, authorization to reimburse PSSI Stadium Corporation in a not-to-exceed amount of \$145,450 from the Heinz Field Capital Reserve Account for waterproofing, caulking, sealant and concrete repairs.

Mr. Bill Williams explained that per the terms of the Lease between the SEA and PSSI, the Authority is required to pay for certain capital repairs to Heinz Field.

The Steelers are seeking reimbursement for costs related to the Heinz Field stadium waterproofing, caulking, sealant and concrete repairs for a total reimbursement of \$145,450.

PSSI's scope of work includes the replacement of all grout packs and repair of the railings, the routing and sealing of all cracks, repairing spalled concrete, and addressing the exposed reinforcement, delamination, scaling, voids and honeycombs. This work is associated with the upper deck precast front tub wall, which is the first row of the upper deck on the east, west and north seating bowls of Heinz Field. The waterproofing and repairs will aid in prolonging the useful life of the structural systems. These issues have also been documented in both of the SEA's inspection firms' reports – the Structural Facility Assessment report and the Facility Condition Assessment report.

PSSI issued a RFP for a five-year phased approach to three firms for these repairs and received two proposals. PSSI held scope reviews with both companies. PSSI is recommending CPS based on the submitted price, low unit prices for current and future phases, and previous

work experience at Heinz Field. At this time, SEA staff does not recommend approving the estimated emergency repair allowance of \$75,000 and the additional estimated testing and inspection for \$20,000. These items can be submitted later in a future change order with appropriate backup documentation.

The joint sealant warranty is for two years and the warranty for all other items is for one year. There is 13.8% MBE participation with Six Degrees Consulting on this project.

The project is expected to be completed by August 1, 2019. The reimbursement will be funded from the Heinz Field Capital Reserve Account which currently has a balance of \$1,100,000.

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

Mr. Udin asked if Mr. Williams would explain the role of the MBE participant on the project.

Mr. Williams explained that Six Degrees Consulting is performing the demolition work.

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. 5610

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 a not-to-exceed amount of \$145,450 from the Heinz Field Capital Reserve Account for waterproofing, caulking, sealant and concrete 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 introduced the next item under PPG Paints Arena, authorization to reimburse the Pittsburgh Penguins in a not-to-exceed amount of \$138,500 from the PPG Paints Arena Capital Reserve Fund for cleaning of the exterior facade.

Mr. Williams explained that per the terms of the Lease between the SEA and the Penguins, the Authority is required to pay for certain capital repairs at PPG Paints Arena.

The Penguins are seeking reimbursement for the PPG Paints Arena exterior facade cleaning for a total reimbursement of \$138,500.

AEG, the Penguins facility management company, submitted a request to clean and seal the exterior facade. The cleaning includes all brick surfaces, cast stone coping, and stained metal panel surfaces. This request does not include the window systems, which are cleaned bi-annually by the Penguins. These issues have been documented in recent Annual Condition Assessment reports for the arena prepared by the SEA's inspection firm. During the course of the work, various mortar joint and sealant areas of the brick will be repaired as well, but paid for by the Penguins.

AEG received three bids. Franco Associates is the recommended low bidder and is 100% WBE. The sealant warranty is for one year.

The project is expected to be completed by July 2019. This reimbursement will be funded by the PPG Paints Arena Capital Reserve Account which currently has a balance of approximately \$6,000,000. It is recommended that the Board approve this reimbursement.

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

Mr. Udin stated that he would support this contract on the condition that the Authority request from the Allegheny County MBE office an update on its review and auditing process of MBE and WBE firms to assure that such firms are in compliance, that the actual operators of the

MBE/WBE firms are either minority or women, and that the financing of these companies are appropriate and according to State and federal regulations. Mr. Udin voiced concern that if companies are allowed to be certified as minority or women owned, but are not actually minority or women owned or operated, it means that real minority or women owned companies will never break into the business.

Senator Fontana asked if Mr. Clarence Curry might know better if it is the individual business's responsibility to prove that they are a MBE or WBE rather than someone overseeing them.

Mr. Clarence Curry further explained that the certifying agencies all have periodic review processes, and the County does periodically review all of their certifications. Mr. Curry asked for clarification if Mr. Udin was asking if the review was done or more than that.

Mr. Udin asked for what the review included, how thorough the review was, how far back the review goes. He has not looked at the process in quite some time and would like to see a more in depth assessment of their review.

Mr. Curry reminded Mr. Udin that Ruth Byrd-Smith came in and went over the process several months ago.

Ms. Mary Conturo added that the Authority would get further information and provide it to the Board.

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 carried, Mr. Udin abstained, and the following resolution was approved:

RESOLUTION NO. 5611

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County its Executive Director and other proper officers are

authorized to reimburse the Pittsburgh Penguins in a not-to-exceed amount of \$138,500 from the PPG Paints Arena Capital Reserve Fund for cleaning of the exterior facade; 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. 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 10:59 A.M.

A handwritten signature in blue ink that reads "Mary K Conturo". The signature is written in a cursive style with a horizontal line underneath the name.

Mary Conturo
Assistant Secretary