

MINUTES OF THE MEETING
OF THE BOARD OF THE
SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH
AND ALLEGHENY COUNTY
HELD THURSDAY, DECEMBER 15, 2016
AT THE DAVID L. LAWRENCE CONVENTION CENTER
PITTSBURGH, PENNSYLVANIA
COMMENCING AT 10:34 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, December 15, 2016 commencing at 10:34 A.M. E.S.T.

Members of the Authority

Present: Sen. Wayne Fontana, Chairman
Sala Udin, Secretary
Councilman Daniel Gilman, Treasurer
Councilman James Ellenbogen, Member
Jill Weimer, Member
Reverend John Welch, Member

Absent: Michael Dunleavy, Vice-Chairman

Also Present: Mary Conturo, Doug Straley, Rosanne Casciato, Rosemary Carroll, Rifat Qureshi, Steve Morrison, Tom Ryser, Simona Loberant, Maggie Pike, Sara Payne and Caitlin Fadgen of the Authority; Morgan Hanson, Solicitor; Tim Muldoon, Ryan Buries, Conor McGarvey, Linda Mihalic, Jeremy Donovan, Hiedi Strothers and Eileen Letson of SMG; and Tim Pratt of Pittsburgh Associates.

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. Seeing none, he moved to the next item on the agenda,

approval of the minutes from the meeting of November 10, 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, authorization to issue a change order with DePasquale Construction Services, LLC in an amount of \$13,200 for sidewalk repairs.

Mr. Ryan Buries explained that in September 2016, the Board authorized a contract with DePasquale Construction Services, LLC for replacement of portions of the sidewalks along 10th Street and Penn Avenue. During the course of the project, it was discovered that an additional portion, which initially appeared to be in good condition, also needed to be replaced. On November 2, DePasquale was authorized to complete the necessary work for an additional cost of \$13,200 in order to save time and unnecessary mobilization costs.

The work was partially completed prior to November 11 and will be fully completed by the end of December 2016.

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. 5438

Resolved by 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 DePasquale Construction Services, LLC in an amount of \$13,200 for sidewalk 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, authorization to enter into an agreement with Hussey Seating Company in a lump sum amount of \$385,765 for the purchase of 4,000 exhibit hall chairs and accompanying storage system.

Mr. Conor McGarvey explained that during the outfitting of the original David L. Lawrence Convention Center in the early 1980s, approximately 7,000 chairs were purchased. Many of those chairs are still used at the DLCC inside the exhibit halls. The existing chairs have a fabric seat and seat back and a metal frame. The frames are corroding, and the chairs are in overall disrepair. The recommended 4,000 new chairs will be used in the exhibit halls for general sessions, banquets, and concessions.

A notice to bidders was advertised in the Pittsburgh Tribune-Review, Pittsburgh New Courier and posted on the SEA website. Bids were due on October 25.

Three companies submitted bids with only one of them qualifying. Spec Seats did not comply with the Pennsylvania Steel Products Procurement Act, and the Mity Lite chairs did not have a lift up seat or the ability to gang to one another.

The storage system needed to store the 4,000 chairs will include: Stacking Storage Starter Blocks and Vinyl Cover for Storage Units. The total cost for the 4,000 chairs and storage is \$385,765.

3,500 of the original chairs, storage system and covers will be auctioned through GovDeals.com. The remaining 3,500 original chairs will continue to be used. This will result in a net increase of 500 chairs to the DLCC exhibit hall chair inventory. Comparable chairs have sold on GovDeals.com in the past for between \$3 and \$11 per chair.

Delivery time for the new chairs is expected to be approximately 12-14 weeks after the purchase order has been executed. The chairs have a 12-year structural warranty and a 1-year warranty on upholstery, stitching, and foam.

Senator Fontana asked if there were any questions from the Board. Councilman Dan Gilman thanked Mr. McGarvey and staff for using GovDeals.com to auction the chairs. He said it has been a success for the City.

Senator Fontana asked if there were any other 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. 5439

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 with Hussey Seating Company in a lump sum amount of \$385,765 for the purchase of 4,000 exhibit hall chairs and accompanying storage system; and further that the proper officers and agents of the Authority are authorized to take all action and execute such documents as necessary and proper to effectuate the terms of this resolution.

Senator Fontana introduced the next item, authorization to enter into an agreement with Penn Fencing, Inc. in a lump sum amount of \$14,745 for installation of fencing on the ribbon walk.

Mr. McGarvey explained that an elevated walkway was installed along the Allegheny River as part of the Convention Center Riverfront Plaza (CCRFP) in 2011. Since 2011, there have been a few instances where homeless camps set up underneath the walkway. The CCRFP can flood anywhere from a few times, to over 10 times in a given year. Rising waters pose a danger to anyone who would settle under the ribbon walkway and not know that the river was

going to flood. Pittsburgh Mercy's Operation Safety Net Supervisor was consulted to ensure that appropriate measures were taken for the safety of the homeless or anyone accessing the area.

Eight companies, including one MBE company and one WBE company, were solicited to submit written quotes to install fencing along both sides of the CCRFP Ribbon Walk. Three companies submitted written quotes.

North American Fencing was the low bid; however, they were not willing (or able) to provide a performance bond for the project. Penn Fencing was the lowest responsive quote at \$14,745.15.

The fencing will include 290 feet of commercial grade chain link fence with a top rail and bottom rail, concrete footers, and a gate for maintenance access under the ribbon walk. It will also include two "no trespassing" signs in appropriate areas.

The project will be completed over a one-week period between now and April of 2017.

Senator Fontana asked if there were any questions from the Board. Councilman Gilman noted that the City has clear guidelines when removing homeless camps to allow people to remove their belongings. He asked that the SEA works with Public Works to ensure these guidelines are followed.

Senator Fontana asked if there were any other questions. 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. 5440

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 with Penn Fencing, Inc. in a lump sum amount of \$14,745 for installation of fencing on the ribbon walk; and further that the other 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 Lower Hill Project, authorization to enter into a not-to-exceed amendment to the agreement with HDR Engineering, Inc. for services related to integration of public art into the design of the project for the Lower Hill I-579 Urban Open Space Cap at an amount of up to \$59,000.

Mr. Tom Ryser explained that the I-579 Cap project will be a structure over I-579, creating an urban open space bound by Washington Place, Centre Avenue, Chatham Square and Bigelow Boulevard. In response to comments provided during the public meeting process conducted for the final design, we reviewed possibilities for integration of public art into the project. The SEA engaged HDR and their sub consultant LaQuatra Bonci Associates who engaged the services of the Office of Public Art to issue a call for artists. The call for artists was issued September 21, 2016 and requested the qualifications for one coordinating artist and three community artists. The coordinating artist was to have experience with large scale transportation projects and have collaborated on projects with other artists and landscape architects. The community artists were required to demonstrate a connection with the Hill District. This artwork would be integrated with design elements in the project such as concrete, lighting, retaining walls, railings, storm water retention or landscaping.

The call for artists was distributed to over 25 organizations and 37 artists directly and posted on the SEA website. An artist info session was conducted on September 28. Qualifications were due on October 14. There were 15 respondents for the coordinating artists and 10 for the community artists of which five submitted for both.

The qualifications were reviewed and rated by a committee consisting of Fred Bonci, Renee Piechocki, Marimba Milliones, Samantha Black, Gerry Williams, Andrea Ketzler, Anne

Kramer, Yvonne McBride, Cecile M. Shellman, Terri Baltimore, Clarence Curry and Doug Straley. As a result, three coordinating artists and five community artists were shortlisted and the shortlisted artists were interviewed on November 15. As a result of the interviews, the committee selected Jann Rosen-Queralt as the coordinating artist and Dr. Kimberly Ellis, Amir Rashidd, and J. Kinsel as the community artists. The committee also recommended that Lake Byrd be included in the project as a community reinvestment consultant in order to allow her to assist with the project while gaining experience on a complex transportation project.

The cost associated with these services related to the integration of public art into the design is a not-to-exceed amount of up to \$59,000.

Senator Fontana asked if there were any questions from the Board. Mr. Sala Udin asked what qualifications were required for the artists to submit. Mr. Straley responded that the artists had to submit a letter summarizing how they were connected to the Hill District and the history of their art projects.

Rev. John Welch asked what it meant to demonstrate a connection to the Hill District. Mr. Straley explained that the RFP required the community artists to have a connection such as living or working in the Hill District, growing up in the Hill District, or having a family connection to the Hill District.

Councilman James Ellenbogen asked if any of the community artists currently live in the Hill District. Mr. Straley responded that two or three artists reside in the Hill District.

Senator Fontana asked if there were any other questions. 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. 5441

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 not-to-exceed amendment to the agreement with HDR Engineering, Inc. for services related to integration of public art into the design of the project for the Lower Hill I-579 Urban Open Space Cap at an amount of up to \$59,000; and further that the other 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 extend the North Shore Garage and David L. Lawrence Convention Center Garage management agreements with Alco Parking Corporation through December 31, 2026.

Mr. Straley explained that staff is recommending an extension of both agreements until Dec 31, 2026 at the existing management fee set by the 2013 RFP of \$24,000 per year for the Convention Center Garage and \$36,000 per year for the North Shore Garage.

Reasons for recommendation are:

1. The interconnection of existing long-term agreements, rights and responsibilities of Alco, the SEA, the SA and the 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. Alco has a leasehold interest in the surface parking until March 2050 on the North Shore.
2. The fee equates to 1.8% of net operating income for the North Shore Garage and 1% of net operating income for the DLCC garage. 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 surrounded by surface parking that will result in operating savings to the Authority of approximately \$80,000 annually with respect to NSG and \$38,000 for DLCC.
4. Past performance has shown Alco to be well qualified in the management of parking systems. Net operating income has steadily increased at DLCC and NSG Garage and both are at or near capacity for daily and event parking.
5. Alco will continue to contribute 25% financial contribution to the Port Authority North Shore Station of the Free Fare Zone which is approximately \$55,000 based on the 2016 fee.
6. Currently Alco is using a MBE cleaning company and a WBE security firm at the North Shore Garage. There is 22% MBE and 30% WBE participation for purchasing at NSG. SMG provides both cleaning and security at DLCC.
7. Alco's current workforce makeup is 20% minority and 26% female. They are committed to providing increased opportunities to diversity both with permanent and temporary employees.
8. DLLC, NSG WGRSG and the new Lot 1 Garage will need to be refinanced by May 1, 2017 and these agreements should simplify the transaction in order to get the best rate possible.

The Stadium Authority approved the extension for the West General Robinson Street Garage and new Lot 1 garage at their November 22 Board meeting.

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. 5442

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County (SEA) that its Executive Director and other proper officers are authorized to extend and amend the existing management agreements with Alco Parking Corporation through December 31, 2026 for the North Shore Garage and David L. Lawrence Convention Center garage (including the 10th and Penn Avenue surface parking lots) and provide for agreement with Alco on general matters, all in form acceptable to the solicitor; 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 issue a change order with CFC-3 Management Services for a fee of up to \$42,240, plus expenses not-to-exceed \$1,000, for MBE/WBE oversight for the 12-month period of January 1, 2017 through December 31, 2017.

Mr. Straley explained that Mr. Clarence Curry has served as the Authority's Senior Diversity Coordinator for the past nine years. This requested extension to his professional services contract is for a 12-month extension at the same fee with deductions for leaves extending for one week or more. The fee provided for is \$3,520 per month with an allowance of \$1,000 for the year for expenses related to conference registrations, hosting of networking events and out of town travel as approved by Executive Director.

Mr. Curry will be focusing on the following duties through December 31, 2017:

- Work with private developers on Lower Hill building projects and with the SEA/URA related to infrastructure projects to maximize MBE/WBE participation and minority workforce utilization for infrastructure.
- Ongoing monitoring of MBE/WBE participation plans and workforce utilization efforts on all SEA projects in addition to private projects that occur on Authority property.

Mr. Curry will be available for 10-15 hours per week on a flexible schedule. We believe that this monthly fee is reasonable when compared with similar hourly rates for diversity

coordinators. CFC rate would convert to approximately \$59 per hour at 15 hours per week to \$88 per hour at 10 hours per week. The monthly fee to CFC will be pro-rated to cover leaves of one week or more; a ¼ fee will be deducted for each full week of leave.

Senator Fontana asked if there were any other questions from the Board. Mr. Udin noted that he has found Mr. Curry highly competent and very helpful, and he is pleased to be able to extend his contract with the Authority.

Senator Fontana asked if there were any other questions. 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. 5443

RESOLVED by 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 CFC-3 Management Services for a fee of up to \$42,240, plus expenses not-to-exceed \$1,000, for MBE/WBE oversight for the 12-month period of January 1, 2017 through December 31, 2017; and further that the other 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 issue a change order to TPR, LLC in an amount not-to-exceed \$99,189, to be billed on hourly rates based on actual hours, for general owner's representation services through December 31, 2017.

Mr. Straley explained that Tom Ryser has worked on SEA projects as a project manager for 16 years. Mr. Ryser is a registered professional engineer in Pennsylvania and has 20 years of experience working in the engineering and construction field. Mr. Ryser's history and experience with Authority projects and facilities is significant and his experience and expertise with respect to infrastructure and transportation projects and PennDOT/FHWA requirements, regulations and

procedures is particularly helpful with respect to our 28-Acre road project and the I-579 Cap project.

This requested extension to his professional services contract keeps the billing rate unchanged at \$80 per hour. He is only paid for hours worked on a monthly basis. It is estimated that this amount will cover the cost of 12 months of service. The Authority believes that this hourly rate is fair when compared with other owner's representative fees charged for professional engineers.

The majority of this change order will be billed to the respective capital project budgets, including the Lower Hill redevelopment, I-579 and roadway infrastructure on the Lower Hill site.

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. 5444

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to issue a change order to TPR, LLC in an amount not-to-exceed \$99,189, to be billed on hourly rates based on actual hours, for general owner's representation services through December 31, 2017; and further that the other 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 Henderson Brothers for risk management services at a price not-to-exceed \$30,000 in 2017 for broker RFP services and at a rate of \$100 per hour for additional risk management services required through June 30, 2021.

Ms. Rosanne Casciato explained that an RFP was issued November 8, 2016. The notice for the RFP was posted on the SEA website and published in the Pittsburgh Tribune-Review and the Pittsburgh New Courier. Six companies requested the RFP. Two proposals were received.

The risk management consultant will review all of the Authority's existing insurance and possible exposures and make recommendations to assure adequate coverages. Based on the agreed upon program, they will assist the Authority in generating an RFP or RFPs for the selection of insurance brokers (for both the SEA and Stadium Authority) to provide this coverage. Ongoing risk management services may include annual review of the broker's rates, funding levels and assistance with insurance requirements for various contracts.

The review committee, which was comprised of Jill Weimer, SEA Board member; Jim Malanos, Stadium Authority Board member; and SEA staff interviewed both firms on November 29th.

Henderson Brothers provided the lowest priced proposal. We are recommending entering into a contract with Henderson Brothers to 1) issue the insurance broker RFP(s) for a fixed amount of \$30,000 and 2) assist with ongoing risk management needs at the hourly rate of \$100 through June 2021 with the first 20 hours per year at no cost. It is important to note our past history is to have the risk management consultant review the insurance quotes each June, requiring minimal hours.

Henderson Brothers has committed 5% WBE participation using Nova Safety and Health Consultants, Inc. Nova will work on the broker RFP, assisting in the administration of the safety consulting and regulatory requirements.

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. 5445

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 with Henderson Brothers for risk management services at a price not-to-exceed \$30,000 in 2017 for broker RFP services and at a rate of \$100 per hour for additional risk management services required through June 30, 2021; and further that the other 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 approve the 2017 Sports & Exhibition Authority Operating and Capital Budgets.

Ms. Casciato explained the 2017 Operating Budget for the Convention Center and SEA is a balanced budget. Total revenues and total expenses are each \$15.8 million. The budget is broken into two subparts – 1) Convention Center and 2) Other Operations. The total revenues and expenses for the Convention Center are each \$12.8 million. The total revenues and expenses for Other Operations are each \$3 million.

The operations and debt related to North Shore Garage, North Shore Riverfront Park, and all capital projects are separately budgeted and balanced.

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. 5446

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

are authorized to approve the 2017 Sports & Exhibition Authority Operating and Capital Budgets; and further that the other 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, acceptance of the schedule for regular Sports & Exhibition Authority Board meetings for the calendar year 2017.

Ms. Mary Conturo explained this resolution provides for the schedule of meetings in 2017. The regular meetings of the Board will continue to be held on the second Thursday of each month beginning at 10:30 A.M. except the January meeting will be held on the third Thursday. These meetings will be held at the David L. Lawrence Convention Center.

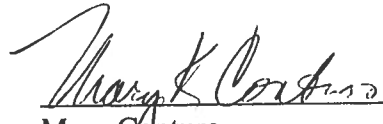
Senator Fontana asked if there were any other questions from the Board. Hearing none, he asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. 5447

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers that the schedule for the calendar year 2017 will be the second Thursday of each month at 10:30 A.M., David L. Lawrence Convention Center except the January meeting will be the third Thursday; and further that the other 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 additional members of the audience would like to address the Board or if there were comments from the Board Members.

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 11:00 A.M.


Mary Conturo
Assistant Secretary