

**MINUTES OF THE REGULAR MEETING OF THE
PUBLIC PARKING AUTHORITY OF PITTSBURGH
TUESDAY, MAY 31, 2011**

Having been duly advertised in accordance with the Sunshine Act No. 84 of 1986, a regular meeting of the Public Parking Authority of Pittsburgh was held on May 31, 2011 at 10:20 a.m., 232 Boulevard of the Allies, Pittsburgh, PA 15222-1616. The following Board members were present at the start of the meeting: Christopher D'Addario, Linda Judson, Natalia Rudiak and Scott Kunka. Present from staff were: David Onorato, Anthony Boule, Christopher Speers, Judi DeVito, Chris Holt, Jo-Ann Williams, Patricia Konesky, Janet Staab, Bill Conner, Philip Savino and Nicholas Gentile. Also present were Jason Wrona of Buchanan Ingersoll & Rooney; William Stewart of Strategic Communications; Joe Smydo of the Pittsburgh Post Gazette; Bill Vidonic of the Pittsburgh Tribune Review; Brandon Hudson and Tony Ruffolo of WPXI/Channel 11; Walt Goldon of KQV; Frederick Douglas of Cosmos Technologies; and Cathy Qureshi, Bill Urbanic, Tucker Sciulli and John Fournier of the City of Pittsburgh.

MINUTES

Mr. Kunka asked for approval of the minutes from the regular meeting held on May 18, 2011.

Upon motion by Ms. Judson and seconded by Mr. D'Addario, the minutes were approved as follows: Ms. Rudiak; yes, Mr. D'Addario; yes, Ms. Judson; yes, Mr. Kunka, yes.

ELECTION OF BOARD TREASURER

Mr. Kunka stated that with the position of Board Treasurer currently vacant, he would like nominations to fill the position.

Ms. Judson nominated Christopher D'Addario, and the motion was seconded by Mr. Kunka.

Christopher D'Addario was elected Board Treasurer and approved as follows:

Ms. Rudiak; yes, Mr. D'Addario; yes, Ms. Judson; yes, Mr. Kunka, yes.

Mr. Kunka congratulated Mr. D'Addario on his appointment.

PUBLIC COMMENT

Mr. Kunka asked for public comments.

There were none.

RESOLUTIONS

RESOLUTION NO. 24 OF MAY 2011, “A RESOLUTION OF THE PUBLIC PARKING AUTHORITY OF PITTSBURGH FOR IMPLEMENTATION AND ENFORCEMENT OF INCREASED RATES FOR ON-STREET PARKING IN THE CITY OF PITTSBURGH AS WAS ESTABLISHED BY PITTSBURGH CITY COUNCIL, was read by Mr. D’Addario and considered by the Board.

Mr. Kunka asked if there were any comments or questions from the Board Members.

Ms. Rudiak stated that she understood that this resolution was on last month’s Board meeting agenda but was postponed until today and, as the City Council representative on the Authority Board, said she would take a moment to explain the context of the resolution. Ms. Rudiak stated that she will be voting in favor of this and Resolution No. 25 in the hope that the City Finance Department and the Parking Authority Board are finally ready to work together to rewrite the Cooperation Agreement in accordance with the Resolutions that were adopted by the City of Pittsburgh last year. She said the resolutions being presented today are only one part of the set of steps that the City took to ensure a sustainable and steady stream of funding to the City Pension Fund. Ms. Rudiak said the plan that was passed in December was passed in a cooperative manner between City Council and the Mayor, adding that the Mayor could have prevented it from going forward if he wished to do so.

She stated that last month she proposed that the Authority Board participate in the formation of a committee to look at a City revenue problem that affects all City departments and agencies but stated that, unfortunately, the Parking Authority Board rejected this proposal. Ms. Rudiak said that she feels that this plan will not be implemented properly, but said that she does have hope that it will be implemented as intended. She stated that she believes that an organization needs linearity, cohesiveness and a unified vision in order to meet its full potential and unfortunately she finds us lurching from crisis to crisis without any thought for the public who use our services, the employees who work for the City, the retirees who deserve their pensions and even for our own fiduciary responsibilities to the Authority. Ms. Rudiak said that an organization that deals in unclear messages and drama will be dysfunctional and instead needs a vision that is understood at every organizational level, from the garage attendants and enforcement officers to management personnel.

Ms. Rudiak mentioned that she attended the IPI Parking Expo and Conference last week and saw firsthand many innovative pricing models, new technologies and cutting-edge tools that we should be taking advantage of. She noted that she also saw a number of City workers there and said the eagerness and passion for the industry they serve was apparent.

Ms. Rudiak said that she is not speaking on behalf of City Council but said there is a sentiment that they are not married to these specific increases in these specific zones. She stated she and other Council members understand that parking rates have a direct relationship to economic development and that there are different various pricing models to consider that will have a

similar return on investment as these rates produce. Ms. Rudiak said there has been discussion of parking benefits to districts in other parts of the city and said she feels that this is a really interesting subject that the Authority should explore and said as a member of Council, she would like to be a partner in using these tools to build the value of Parking Authority to its highest potential.

Ms. Rudiak said she has huge reservations about the vote that is to follow as well as the direction of the City in its relationship with the Parking Authority. She said that, while she doesn't feel that the subject will be adequately addressed, she does remain hopeful that the Parking Authority Board can come to a sound resolution of these issues.

Mr. Kunka stated that he believes that these very large rate increases were enacted by City Council and, in contrast to Council not being wedded to them, they are the legislative changes and the Parking Authority is bound by City Council's actions to implement them. He said this scheme was designed to have no beneficial effect to the Parking Authority but to divert the increased revenues back to the City to solve the City's pension fund problem. Mr. Kunka stated that the increases are between 50 percent and 200 percent with no provision for the system modernization of the parking system or the Authority. He stated that because some of the meters are not equipped to handle the large rate increases involved, the very fears espoused by City Council last year regarding the Chicago monetization program are probably very likely to be realized because of Council's actions. He said that he believes that the situation is telling when Council alone passes a very large scheme at the end of last year and now complains about Council and the Authority not being willing to meet to discuss the subject rationally. Mr. Kunka stated the he believes that the Parking Authority has no choice but to validate City Council's action and implement these very large rate increases.

Mr. Kunka asked if there were any additional questions.

There were none.

Upon motion by Mr. D'Addario and seconded by Ms. Judson, Resolution No. 24 of 2011 was approved as follows: Ms. Rudiak; yes, Mr. D'Addario; yes, Ms. Judson; yes, Mr. Kunka, yes.

RESOLUTION NO. 25 OF MAY 2011, "A RESOLUTION OF THE PARKING AUTHORITY OF PITTSBURGH TO IMPLEMENT THE EXTENSION OF THE ENFORCEMENT HOURS AS ESTABLISHED BY PITTSBURGH CITY COUNCIL FOR THE ON-STREET PARKING METERS IN THE CITY OF PITTSBURGH, was read by Mr. D'Addario and considered by the Board.

Mr. Kunka asked if there were any questions from members of the Board.

Ms. Rudiak stated that in regard to some of the issues raised by Chairman Kunka, one purpose of leasing the parking assets of the public system was to allow for flexibility in terms of making sure we have the proper technology and the proper training of enforcement officers. She said she has not heard that there is an issue in terms of either technology capacity or of enforcement

officer capability. She then asked Mr. Onorato if the Authority has the technology to implement the rate increases at least over the next few years.

Mr. Onorato advised that the Authority is moving forward to implement the rate increases that Council set. He noted that the Parking Authority does not set those rates and the Authority was not contacted for an opinion on new rate levels and said it was simply given a table of the increases to change. He said staff is moving ahead with implementing the changes beginning tomorrow but said there are concerns with the size of the meter cups regarding their ability to handle the increased volume of quarters. Mr. Onorato reported that we will need to increase our collections in various areas just to keep the meters operable for customers, noting that the change represents a manpower issue at the start. He said the ideal situation would have been to have the new technology in place, as was discussed last year. He advised that the Authority is in the process of developing an RFP, which will be brought to the Board once it's completed, to upgrade on-street meter technology for installations Downtown and in Oakland and South Side. He said those locations include approximately 3500 metered spaces and said the estimated budget for this upgrade is between \$6 and \$8 million for the street meters alone.

Mr. Kunka stated that the question is not whether the technology is available but said the question is how to you pay for it.

Mr. Onorato stated the Authority would be paying for this upgrade using the monies that would be realized from the rate increases being implemented. He said the expenditures would accompany those for additional capital repairs that would be needed at the garages.

Mr. Kunka stated that City Council's original plan stated that the money goes back to the City.

Mr. Onorato stated that he believes that this was City Council's intent but said that at this time we will be following the current agreement that is in effect between the Authority and the City.

Ms. Rudiak stated that she would like to clarify that that was not the intent, and stated that at a meeting last month she did a presentation that illustrated how much revenue the Parking Authority would be able to keep for modernization, recalling the amount to be \$80 million over the next few years. She commented that speaking negatively of each other is not the direction that the Authority needs to go and said her concern is to make sure that the system is functioning properly. She repeated that this was the first time that she was hearing that enforcement could be a possible concern. Ms. Rudiak advised that City Council is open to discussing any issue regarding enforcement hours, zone rates or the meters not being able to handle an increased volume of quarters. She said that is a discussion that we need to have and possibly postpone the rate increase if necessary.

Mr. Onorato agreed that there are issues outstanding and said to postpone now would need to be decided quickly as the Authority is ready to implement tomorrow. He again stated that the Authority was never asked for its input or opinion.

Ms. Rudiak stated that her door is always open and said she hoped that Mr. Onorato understands that if there is any issue that presents difficulty in implementing, City Council would

be happy to work with him to resolve it. She asked Mr. Onorato his opinion if there are enough enforcement officers presently on staff to implement the Council-enacted change.

Mr. Onorato advised that the enforcement at the start will be light as the Authority will need to hire additional personnel. He noted that the changes needed were authorized just today by the Board and can only be implemented beginning tomorrow. Mr. Onorato said we will be short between 10 and 15 officers as June begins but said by the end of the month we anticipate having the majority of the additional enforcement officers hired and assigned. He stated that the bigger issue is if the meters can handle the increased rates, which will result in a greater amount of quarters being placed in the meters, especially in the areas such as downtown. He said a full meter will be interpreted as a jammed meter and additional collection visits will be required to prevent that condition.

Ms. Rudiak asked for confirmation that collection frequency is the issue.

Mr. Onorato confirmed that it is.

Ms. Rudiak asked the plan is for the increased collection activity.

Mr. Onorato advised that since we have no past history to use as a basis, we are currently watching and are prepared to ramp up our weekly collection schedule, and, if needed, to add collectors. He stated that the Authority is also trying to stay within contract guidelines and not hire temporary collectors, explaining that collector positions are specified to be full-time employees.

Ms. Rudiak asked if there is some sort of hot line patron can call if a meter is filled.

Mr. Onorato stated that if a ticket is issued on a jammed, filled or broken meter, the customer may report the meter condition by calling the number listed on the ticket and a hearing will be scheduled. He said the Authority will dispatch a meter repairman to evaluate the meter and if it is found to not be working properly, the Pittsburgh Parking Court is notified so the ticket can be dismissed by the judge. He noted that this process does take man-hours away from routine repair department duties.

Ms. Rudiak again stated that this is the first that she was made aware of these issues and asked Mr. Onorato to bring them to City Council's attention as soon as possible as it is more than willing to work with the Authority toward their resolution.

Mr. Onorato stated that he would contact Council but said the process should work both ways and mentioned again that the Authority was never involved in setting the rates and there were some changes that he would have like to have made.

Ms. Rudiak stated that Council could have made those changes and is open to considering and adopting new technology and new methods.

Mr. Onorato again stated that Council could have included the Authority but chose to set the rates and send them here to the Authority to implement.

Ms. Rudiak stated that she tried in the past to have these conversations, but was not permitted to do so by the Authority Board.

Mr. Kunka stated that he finds the conversation very interesting in that a plan to raise rates and enforcement hours that was hatched at the close of 2010 without any involvement from the Authority is on the eve of the implementation but now there is the offer of flexibility about what should be done. He said that this particular resolution increase the enforcement hours by 40 percent in major business districts of the City, and with skyrocketing rates, is a one-two punch to the public with no corresponding benefits to it or to the Authority. Mr. Kunka said everyone should remember that back in May or June of 2010, City Council raised the fines for the enforcement of overdue parking from 22 to 88 percent, noting again there was no benefit to the Authority as all of the money under Council's scheme was dedicated back to the City. Mr. Kunka repeated that the Authority Board has no choice but to implement City Council's increases, which is the action required by the Council ordinance. He said the Authority personnel is making every effort to accommodate Council's changes by the June 1st implementation date. Mr. Kunka stated that the previous conversation illustrates the serious staffing, collective bargaining and operational issues that were never thought of when this particular plan was developed at the end of last year. Mr. Kunka stated that the Executive Director will be referring in his monthly report to a need for corresponding changes to the Authority's budget and to its operational structure. He said those items will be presented and considered at the next Authority Board meeting.

Ms. Rudiak added that City Council actually attempted to have conversations with Parking Authority personnel but was not permitted to do so.

Mr. Kunka asked for a vote.

Upon motion by Ms. Judson and seconded by Mr. D'Addario, Resolution No. 25 of 2011 was approved as follows: Ms. Rudiak; yes, Mr. D'Addario; yes, Ms. Judson; yes, Mr. Kunka, yes.

RESOLUTION NO. 26 OF MAY 2011, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A SERVICE AGREEMENT BY AND BETWEEN THE PUBLIC PARKING AUTHORITY OF PITTSBURGH AND ITS CURRENT SERVICE PROVIDER, CONSOLIDATED COMMUNICATION, FOR A 60-MONTH TERM FOR A NEEDED METRO ETHERNET LINE CRITICAL TO THE FUNCTIONALITY OF THE AUTHORITY'S AUTOMATED HAND-HELD TICKETWRITING SYNCHRONIZED SYSTEM , was read by Mr. D'Addario and considered by the Board.

Mr. Onorato advised that Consolidated currently provides the Authority with eight DSL lines and three T1 Communication lines to our facilities at a monthly charge of \$1568.00. He said with

the new handheld technology and the ability to communicate in real time between the handhelds and Parking Court and Boot and Tow personnel, four bids were solicited.

He noted that Consolidated would charge \$788 per month for a 60-month period for just the Ethernet line only but said Consolidated agreed to bundle all the services at a charge of \$1,906 per month for all lines involved. He said we currently are paying an annual amount of \$23,500 a year for a 60-month term. Mr. Onorato reported that Comcast declined to bid and Co-Stars did not respond to a bid request. He said Verizon did not bid a 60 month period, but said the tab sheets show the firm's projected cost for a three-year period at \$2,095 per month.

Mr. Kunka asked for clarification that no increases are involved and that the cost will be is the same each month for the 60-month term.

Mr. Onorato confirmed those conclusions and clarified that there will be an increase to the amount we are currently paying.

Mr. Kunka asked if there were any additional questions.

Upon motion by Ms. Judson and seconded by Mr. D'Addario, Resolution No. 26 of 2011 was approved as follows: Ms. Rudiak; yes, Mr. D'Addario; yes, Ms. Judson; yes, Mr. Kunka, yes.

EXECUTIVE DIRECTOR'S REPORT

Mr. Onorato updated that the Authority staff has been directed to implement both the on-street meter rate increase and the extension of the enforcement hours. He said the action will increase capital costs for new technology and increase personnel hours, both of which will be addressed at the July Board meeting as we anticipate having an amended budget on the agenda which will include these increases. Mr. Onorato advised that the Authority may need to begin absorbing these costs prior to the July meeting.

Mr. Onorato reminded the Board that there is no meeting scheduled for June, with the next meeting date scheduled for July 11, 2011 at 10:00 a.m. He advised that both the May and June board reports will be presented on that date.

Mr. Onorato updated the Board on the success of the International Parking Institutes 2011 Conference, which was a huge success for the City of Pittsburgh, the Authority and the IPI. He noted that the conference attendance of 2,600 registrants was the largest to date and said there was talk of the event returning to Pittsburgh in the future.

Mr. Onorato advised the Board that the groundbreaking ceremony for the upgrade of the Mellon Square Park is scheduled for June 13th. He said the Authority participated in the study, but said the majority of the cost for the upgrade is being paid by the Parks Conservancy, explaining that the maintenance agreement is still to be worked out between

the City and the Parks Conservancy. Mr. Onorato advised that he will update the Board members on details of the groundbreaking ceremony information so they may attend if they wish.

OLD/NEW BUSINESS

Mr. Kunka asked if there was any old or new business.

There was none.

The next Board meeting is scheduled for Monday July 11, 2011 at 10:00 a.m.

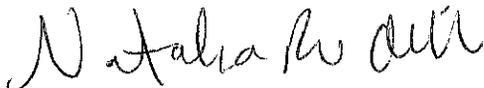
Upon motion by Ms. Judson and seconded by Mr. D'Addario the meeting was adjourned at 10:45 a.m.

APPROVED TO CONTENT



Chairman

ACCEPTED FOR FILING IN THE AUTHORITY'S BOOK OF MINUTES



Approval