

**MINUTES OF THE REGULAR MEETING OF THE  
PUBLIC PARKING AUTHORITY OF PITTSBURGH  
THURSDAY JULY 21, 2016**

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 at 10:10 a.m. on July 21, 2016 at 232 Boulevard of the Allies, Pittsburgh, PA 15222-1616. The following Board members were present at the start of the meeting: Cathy Qureshi, Aradhna Oliphant, Jeff Cohen and Matt Barron. Present from staff were: David Onorato, Anthony Boule, Jo-Ann Williams, Christopher Speers, Chris Holt, Wes Pollard, Tracy Sowinski, Deb Meyer, Philip Savino, Helen Kain, Janet Staab, Kathryn Van Why, Patrick Osuch, Richard Bellisario, Harry Wormsley, Leatha Marshall, Greg Guerriero, Matt Jendrzewski and Patricia Konesky. Also present were Jason Wrona of Buchanan Ingersoll; Michael Glenn of Am-Gard Inc; and Rich Johnston, Thomas Jones, Clarence Kinney, Ryan Terrell all of Local 32BJ, SEIU.

**MINUTES**

Ms. Qureshi asked for approval of the minutes from the regular meeting held on May 26, 2016.

Upon motion by Ms. Oliphant and seconded by Mr. Barron, the minutes were approved as follows: Mr. Cohen, yes; Mr. Barron, yes; Ms. Oliphant, yes; Ms. Qureshi, yes.

**PUBLIC COMMENT**

Ms. Qureshi asked if there were any public comments.

There were none.

**EXECUTIVE DIRECTOR'S REPORT**

Mr. Onorato advised the Board that the Third Avenue Garage repairs are continuing and it is anticipated that the project will be completed by the end of August.

Mr. Onorato advised the Board that AFSCME negotiations are scheduled to resume in August.

Mr. Onorato advised that the sale of the Authority's Centre/Craig and Penn Circle Lots have been finalized. He advised that the Authority will continue to operate the Penn Circle Lot until the site's developers take control of the property.

Mr. Onorato advised the Board that the Authority, with other city entities, exercised its option to continue using Maher Duessel as the Authority's auditing firm.

Mr. Onorato shared a copy of an article with the Board that appeared in a Tech magazine praising the Authority's application of pay-by-phone parking.

Mr. Onorato discussed the monthly Finance Report, noting that the Authority is exactly one half through the calendar year and is on target with its overall budget. He stated that revenues are approximately six percent over budget with the garage portion more nearly on a straight line with budget. He advised that he has been working with Mr. Cohen in completing a cash flow budget and the differences of both from projections are comparable. He noted that the cash flow is down from the 10-to-11-percent levels recorded in January to approximately four percent currently. He advised that, midway through the year, expenses are below budget.

Ms. Qureshi noted the low interest on the operating revenues and inquired if that was due to it being calculated on daily cash and/or overnight investments.

Ms. Williams responded that her conclusion was correct.

Mr. Onorato discussed the Professional Services Report, the part of the Finance Report that lists the dollar amount spent to date on Professional Services.

Ms. Oliphant noted that there was a slight increase in the year-to-date total this year compared to 2015 and asked if we could determine the reason for the increase.

Mr. Onorato replied that legal costs contributed to the increase.

Mr. Wrona identified several specific projects, such as union negotiations, bond refinancing amending of the City co-op agreement, and amending the enabling act, as contributions to the cost increase. He stated that he would review those charges and report his findings to the Board.

Ms. Qureshi noted that the MBE/WBE participation is pretty low and stated that while she knows it can be hard to raise those levels, urged that every consideration be given to bringing in minority businesses.

Ms. Oliphant stated that she was pleasantly pleased with the amount of minority participation in Authority projects. She was curious as to how the Authority's results compare to other publically monitored entities.

Mr. Holt responded that there is definitely room for improvement.

Mr. Onorato stated that he will discuss that in detail in the Professional Services Report. He noted that the Authority does report those participation numbers to the City where they are incorporated into its annual Minority Business Report.

Ms. Oliphant noted that she appreciates having this report as it gives a holistic view and not just the percentage of contract, but shows where the bigger dollar amounts are going. She asked if the Authority has ever looked at other cities to see how Pittsburgh compares to them.

Mr. Onorato responded that we have not done such comparisons.

Mr. Holt added that the Equal Opportunity Review Commission completes an annual report of all agencies and lists their performance on a percentage basis. He said we have access to that report.

Ms. Oliphant stated that she is not questioning if the Authority does what is required by law, but asked what our aspirations are and what can we do consciously and intentionally to improve results.

Mr. Onorato discussed the Parking Court Report which lists year-to-date revenues. He advised that the budget for 2016 was \$8 million and at the halfway point of the year, gross revenues are \$5.2 million. He advised that expenses are under budget by approximately five percent. He noted that the City's share of Parking Court for this six-month period is estimated at \$4 million.

Mr. Onorato discussed the Facility Reports, which he said are in line with the Finance Report. He noted that 2016 revenues were slightly higher than those in 2015, which he attributes to the rate increase initiated earlier in the year. He noted that the revenues for Third Avenue and Smithfield Liberty were down due to a loss of spaces from construction work at those facilities.

Mr. Onorato discussed the Enforcement Report, noting that 53 percent of the tickets issued in June were for expired meter violations, 21 percent were for street cleaning violations and nine percent were for illegal parking. He noted that the number of tickets issued to date this year were slightly ahead of last year's total.

Mr. Cohen noted that it appears that the enforcement division is more efficient this year and asked what the Authority did to achieve this level. He stated that numbers wouldn't grow unless something happened. He stated that the officers are either working better or smarter. He commented that the reported numbers would indicate that the productivity of each officer has improved.

Mr. Onorato responded that the employees are doing a better job in the field and that management of that department has improved, partly by more closely pairing meter data with enforcement scheduling.

Mr. Cohen noted that it is interesting that the amount of tickets continues to increase even as more and more customers are using the pay-by-phone app. He stated using the app should reduce the chance of a customer receiving a ticket. He advised that the Authority should increase its marketing of this service feature.

Mr. Onorato responded that this is exactly what the article he distributed to the Board was stating, that this is a good service for the City and its parkers. He stated that the volume of phone app usage has increased.

Mr. Onorato discussed the Garage Utilization Report which tracks garage utilization at both 11:00 a.m. and 2:00 p.m. He noted that while some revenue volume is down, transactions have increased, with the large variances in results being due to construction. He stated that all of the quarterly reports will reflect this variance.

Ms. Qureshi stated that because all facility revenues are down with the exception of Smithfield/Liberty and it doesn't appear to be hurting the Authority financially, she was interested in the reasoning and asked if it was a change in patrons' habit.

Mr. Onorato responded that some parkers did change their habits, but reminded the Board that the intent of the rate increase was to provide more available spaces. He said he feels that our patron mix is in the acceptable range and offered Smithfield/Liberty as a good example. He noted that, prior to construction, this facility was full on a daily basis, but now that the work is complete there are around 100 spaces available on a daily basis.

Mr. Cohen stated that he believes that the Authority is where it should be on rates, stating that if we continue to raise parking rates we are going to continue to lose patrons. He stated that he voted against the amount of the first-year increase believing that it was too much and would eventually hit us. He said he believes the Authority and its Board should be very mindful of this trend and possibly reconsider the rate increase scheduled for 2017.

Mr. Onorato stated that additional spaces became available in the new garage that opened near Market Square, and regardless of whether or not it is more expensive, people like new facilities and are willing to pay the going rate for them. He stated that the trend may change because just in the last two weeks there were facility closures that displaced parkers on the North Shore. He reminded the Board that, as a result of our rate increases, lots located on the North Shore saw an increase in utilization, He said it remained to be seen if those parkers would come back into town now that some of those spaces were taken out of that area's inventory.

Mr. Cohen commented that this trend is not a good sign. He stated that a business never wants to decrease its customer base. He said it keeps the Authority much healthier when you have an above-capacity universe of customers. He noted that this trend has been continuing for six to eight months, and feels that it tells us where we should be with rates.

Mr. Onorato stated that the scheduled increase was to be \$1.00 in the all-day rate and stated that we would reevaluate its impact prior to placing it into effect. He stated that he believed that the loss of Macy's had a big effect on parking patterns as well as drivers shifting from downtown garage parking to on-street locations.

Mr. Cohen said he agreed, noting that outside of Market Square and the theatre district there is not much activity occurring in downtown at night. He inquired as to the average parking stay at a meter downtown.

Mr. Pollard replied that the average parking stay downtown is two to two-and-half hours.

Ms. Oliphant agreed that the Board should review the pending action, adding that the increase in the technological ability of persons being able to work from remote locations is another factor to consider. She noted that the trend is not just price-dependent, it is also an indication of a behavioral shift as well.

Mr. Barron stated that the rate at the new parking garage at PNC Tower may also be affecting this trend also.

Mr. Onorato discussed the Day and Weekend Transient Report, which shows the patterns and the counts of the vehicles utilizing the garages. He noted that the transactions declined in January 2016 but increased in the months since then.

Mr. Cohen noted that the day revenue transactions in June of last year were \$160,000 and this year was \$144,000, which he called a big decline.

Mr. Onorato advised that this was due to the daily loss of 360 spaces at Third Avenue for construction.

Mr. Cohen asked that future changes of this type be footnoted on the report.

Mr. Speers added that the daytime transactions at Third Avenue are decreased by approximately 32,000 transactions for the year. He added that First Avenue also has a large decline due to a construction-related loss of 320 spaces daily for about a three-to-four month period. He said that information has been footnoted on the report.

Mr. Onorato discussed the Downtown Housing Report, noting that the Authority made a conscious effort to increase the amount of leases of that type. He said an additional 19 leases were approved and distributed in the first quarter, with the majority being placed in Grant Street Transportation Center and Mellon Square.

Mr. Onorato discussed the Meter Revenue Report, noting that of the \$9 million revenue referenced, coin payments represented 12 percent of the total; credit cards represented 65 percent; while by-phone use accounted for 22 percent.

Mr. Onorato discussed the Garage Revenue Per Space Report, which is the format the parking industry uses to track revenue, and stated that Mellon Square is the Authority's highest per-space performer. He advised the Board that this report also lists expenses by individual facility.

Mr. Onorato discussed the Pay-by-Phone Report, which shows that the 712,000 mobile transactions to date in 2016 represents \$1.9 million in revenue. He advised that the average mobile transaction price is \$2.78, where the average standard meter transaction is \$2.29.

Mr. Cohen stated that the Authority goal at this point is to market the pay-by-phone app and encourage more customers to use this service.

Mr. Onorato advised that he will reach out the pay-by-phone vendor to coordinate a joint marketing effort.

Ms. Qureshi summarized the Executive Director's report, stating that she believes that the Board appreciates these reports and the discussions they generate. She said she wanted to thank staff members who create these reports.

Ms. Oliphant agreed, adding that her experience since being on the Board and working with staff is that everyone is very attentive and responsive to the Board's expectations of transparency.

Mr. Cohen also agreed and added that the Parking Authority is a very important and critical component of City government and stated he doesn't believe that many realize how much revenue the Authority transfers to the City. He stated that it is important that the Authority does a good job as the revenues we generate are a critical component of the City's ability to run its operations.

## **RESOLUTIONS**

**RESOLUTION NO. 33 OF JULY 2016, "A RESOLUTION ACKNOWLEDGING MR. RICHARD BELLISARIO, JR. FOR HIS 25 YEARS OF PROFESSIONAL AND EXEMPLARY SERVICES IN HIS EMPLOYMENT WITH THE PITTSBURGH PARKING AUTHORITY,** was read by Ms. Qureshi and considered by the Board.

Mr. Onorato introduced Mr. Bellisario and thanked him for his years of service. He stated that he knew Mr. Bellisario prior to his own employment here and considered him a friend as well as a co-worker. He stated that Mr. Bellisario has always done a good job no matter what department he was working in. Mr. Onorato thanked Mr. Bellisario for strong work ethic as well as his friendship and then presented him with a certificate and a copy of the resolution.

Ms. Qureshi asked if there were any questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Mr. Barron, Resolution No. 33 of 2016 was approved as follows: Mr. Cohen, yes; Mr. Barron, yes; Ms. Oliphant, yes; Ms. Qureshi, yes.

**RESOLUTION NO. 34 OF JULY 2016, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO PURCHASE A NEW HP STOREEASY 1650 BACKUP SYSTEM FOR THE PUBLIC PARKING AUTHORITY OF PITTSBURGH,** was read by Ms. Qureshi and considered by the Board.

Mr. Onorato stated that this new model will replace our computer files back-up system as the current system has completed its useful life. He stated that this replacement unit will be on site while another will operate from the Grant Street Transportation Center. He advised that this purchase will be made using the State Co-Stars process at cost not to exceed \$64,000.

Ms. Qureshi inquired if Co-Stars has competitively bid this type of purchase and in doing so has satisfied all of our procurement requirements.

Mr. Onorato responded that Co-Stars did bid this and all procurement requirements were satisfied.

Ms. Oliphant inquired what the HPX 1600 Series NAS end of life acronym meant.

Mr. Savino responded that NAS stands for Network Area Storage and basically refers to a large box for data storage. He advised that our current NAS has been in place now for approximately five years and runs a Symantec software. He said that, as Microsoft moves to newer version of Windows, that software will no longer sustain compatibility so we wanted to replace it while also adding an off-site storage site to accommodate the level of redundancy we feel is required.

Ms. Oliphant asked if this type of storage could be done using the cloud.

Mr. Savino stated that the software that comes with this purchase is capable of pushing those back-ups to the cloud, but said that it is an expensive addition. He stated that he has investigated that process and found there to be a substantial monthly cost associated with it. He stated that this purchase gives us the software to consider that avenue at a later time if we choose to do so.

Ms. Oliphant asked if we were to do a monthly comparison, the percentage difference for going on the cloud versus having our server on-site.

Mr. Savino responded that this \$64,000 covers the two pieces of hardware as well as the software. He said that when the Authority was looking at adopting a cloud-backed mode a few months ago, we found the cost would be based on the storage capacity we need. He said that at that time he determined that the cost to the Authority would be approximately \$9,000 per month.

Ms. Oliphant asked if there were any costs for the Authority to maintain the hardware and servers on-site.

Mr. Barron responded that the only cost would be the electricity.

Mr. Savino added that staff takes care of the infrastructure as a whole and it would be difficult to separate the specific cost of this function.

Ms. Oliphant stated that she is not disagreeing with this purchase and the direction it is taking the Authority, but believes that the Authority needs to look at exemplars beyond the parking field who have that kind and volume of data and what they are doing with it. She recommended that Authority technical staff considers attending non-parking industry conferences to learn what others are doing.

Mr. Cohen asked for a general life span of this equipment.

Mr. Savino responded that there is a five-year depreciation cycle.

Mr. Cohen stated that he prefers to be in control of his business assets and said he felt that outsourcing can mean a loss of control. He stated that he is not sure that he would like the data involved here to be outside of the Authority's control.

Ms. Oliphant advised that she is more concerned about the redundancy factor than the control factor.

Mr. Savino advised that the Authority does take advantage of the cloud-based services that are available through Office 365 and that we do have SharePoint.

Ms. Qureshi asked if there were any additional questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Mr. Barron, Resolution No. 34 of 2016 was approved as follows: Mr. Cohen, yes; Mr. Barron, yes; Ms. Oliphant, yes; Ms. Qureshi, yes.

**RESOLUTION NO. 35 OF JULY 2016, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO AWARD A CONTRACT TO O&S ASSOCIATES, A CONSULTING ENGINEERING/ARCHITECTURAL FIRM, TO BE RETAINED AS A CONSULTANT FOR PROFESSIONAL SERVICES ON AN AS-NEED BASIS,** was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised that the Authority does not have an engineer on staff and with its current contract for on-call engineering services was expiring, we issued an RFP for this service, He advised that the purpose of this contract is to have an engineer available should an emergent situation arise. Mr. Onorato advised that the bid tab sheet is attached for review and said that this is a professional services contract, not a low-bid contract and based on their proposal and interview we are recommending awarding O&S Associates, an MBE firm based in Philadelphia.

Mr. Cohen asked if the Authority reached out to Desman Associates to discuss its proposal, which was the highest received.

Mr. Onorato responded that Desman is the current vendor and after the bids were received and the process completed the Authority did have the opportunity to discuss the bid with them.

Ms. Oliphant asked if the Authority completed a background check on the firm being selected.

Mr. Onorato confirmed that their references were checked.

Mr. Barron commented that he was pleased that the Authority received many bids on this RFP and also that the firm selected was an MBE.

Ms. Qureshi asked if there were any questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Mr. Barron, Resolution No. 35 of 2016 was approved as follows: Mr. Cohen, yes; Mr. Barron, yes; Ms. Oliphant, yes; Ms. Qureshi, yes.

**RESOLUTION NO. 36 OF JULY 2016, "A RESOLUTION AUTHORIZING TO APPROVE FINAL PAYMENT TO IMAGE360 FOR THE DECORATIVE WINDOW WAY-FINDER SIGNAGE SCREENS AT THE GRANT STREET TRANSPORTATION CENTER,** was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised that the Authority worked with Heinz History Center on signage and window coverings at the Grant Street Transportation Center, for the purpose of directing History Center patrons to our facility for parking. He distributed copies of the window and signage artwork for the Board to review, noting that it was developed by the History Center while Authority RFP generated the manufacturing and installation. He advised that the final payment will be released upon completion and approval of the final punch list items.

Ms. Qureshi asked if there were any change orders on this project,

Mr. Onorato responded that there were no change orders.

Ms. Oliphant stated that she was glad the artwork included the Go-Mobile information.

Ms. Qureshi asked if there were any questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Mr. Barron, Resolution No. 36 of 2016 was approved as follows: Mr. Cohen, yes; Mr. Barron, yes; Ms. Oliphant, yes; Ms. Qureshi, yes.

## **OLD/NEW BUSINESS**

Ms. Qureshi asked if there were any new or old business items for discussion.

Mr. Pollard addressed the Board and stated that for the years that he has overseen the Meter Services Department the advancements and progress that was made would not have been possible without Mr. Bellesario and he wanted that recognized.

Ms. Qureshi asked if there were any additional new or old business items for discussion.

There was none.

The next Board meeting is scheduled for Thursday, August 18, 2016 at 10:00 a.m.

Upon motion by Mr. Cohen and seconded by Ms. Oliphant, the meeting was adjourned at 11:06 a.m. with all Board Members in approval.

**APPROVED TO CONTENT**



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**Chairman**

**ACCEPTED FOR FILING IN THE AUTHORITY'S BOOK OF  
MINUTES**



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**Approval**