

**MINUTES OF THE REGULAR MEETING OF THE
PUBLIC PARKING AUTHORITY OF PITTSBURGH
THURSDAY, MARCH 15, 2018**

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 10:34 a.m. on March 15, 2018, at 232 Boulevard of the Allies, Pittsburgh, PA 15222-1616. The following Board members were present at the start of the meeting: Jeff Cohen, Matt Barron, Aradhna Oliphant and Cathy Qureshi. Present from staff were: David Onorato, Anthony Boule, Christopher Speers, Chris Holt, Jo-Ann Williams, John Fournier, Bob Wilson, Kathryn Van Why, James Smith, Tracy Sowinski, Philip Savino, Pat Konesky, Evan Gornick and Brandon Hensch. Also present were Jason Wrona of Buchanan Ingersoll, Alicia Carberry of the City of Pittsburgh Mayor's Office and William Stewart of Strategic Communications.

Mr. Cohen apologized for the late start of today's Board Meeting, advising that the Board was engaged in an Executive Session regarding real estate matters.

MINUTES

Mr. Cohen asked for approval of the minutes from the January 19, 2018 meeting.

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

PUBLIC COMMENT

Mr. Cohen asked if there were any public comments.

Parking Authority officers Evan Gornick and Brendon Hensch addressed the Board and presented a petition signed by their fellow officers and meter collection/repair personnel asking that the Board consider giving permission for employees to live outside of the city. They explained that there would be a lot of benefits if this is approved, notably expanding the pool for hiring, providing employees more housing choices, particularly if Amazon was to choose Pittsburgh as the location for its second headquarters and raise the price of residing in Pittsburgh. Mr. Gornick noted that Bureau of Police personnel were recently granted approval to, within a designated radius, live outside the city. Mr. Hensch stated that it would better enable part-time officers such as himself to find affordable housing. He advised that he is aware of a few current part-time officers who are the sole source support for their families and said that removal of this policy would be beneficial for those individuals.

Mr. Cohen asked if there were any additional public comments.

There were none.

EXECUTIVE DIRECTOR'S REPORT

Mr. Onorato updated the Board on the closures at the Mon Wharf due to flooding and the resulting clean-up measures. He advised that during February there were nine days of closure, those in addition to 11 that occurred in January and five to date in March for a total of 25 days of closure in 2018.

Ms. Oliphant asked if the Authority could provide the Board a comparison of the closures dates in 2018 compared to those in the two previous years.

Mr. Onorato advised that we have compiled this information for the last 10 years and will forward it to the Board.

Mr. Speers noted that 2010 was the year that saw the most closures, with 45 full and 10 partial closures.

Mr. Onorato advised that, in recognition of recording more than five million transactions since its inception in Pittsburgh, ParkMobile will be running a promotion on St. Patrick's Day offering \$1.00 off the day's first 2000 mobile app transactions. He advised that ParkMobile will make the Authority whole for the revenue lost.

Mr. Onorato discussed the Finance Reports, noting that two months into the year and we are on target with the revenue budget with expenses being under budget.

Ms. Oliphant noted that there is a huge variance from 2016 and 2017 revenues and expenses and asked if this was worrisome.

Mr. Onorato stated that the expenses shown on the report are more of an estimate at the moment and that will track more accurately closely as actual expenses are recorded. He stated that the revenues are where they should be, given the weather to date in 2018.

Mr. Cohen stated that he is not sure that he agrees with the Executive Director that this is nothing to be alarmed about. He stated that just this morning he was viewing the news reports of the Toys R Us company that is going out of business due to bad management and stated that he is nervous about the trend he is seeing in the garage reports. He stated that the top line can hide a lot of issues and when revenue starts to decline he wonders why and seeks the reasons for it.

Ms. Qureshi noted that the Toy's R Us situation is a different model, and while she doesn't disagree that management issues are important, she looks at such variables as more people working from home, taking Uber or similar transportation or other possible threats to our business model.

Mr. Onorato responded that we do track this trend and said it is currently more noticeable on Mondays and Fridays compared to the other weekdays. He also noted that while we are monitoring our rates and keeping them the same, private operators are increasing their rates both

day and evening, even as much as doubling them. He said they may be seeing something we aren't.

Mr. Onorato discussed the Facilities Reports, noting that the overall revenues are down with the Mon Wharf's reduction being due to flooding closures and those at Mellon Square and Oliver Avenue being due to the loss of leases to low introductory monthly rates at the new Saks garage. He stated that the Second Avenue Lot is still affected by the reconstruction work on the Tenth Street Bridge, which affects patrons' ability to access to the lot.

Mr. Barron asked if the Authority does any type of advertising to promote the fact that we are the low-cost provider in the city.

Mr. Speers added that we should not dismiss the impact of weather and how it affects revenue. He noted that when there is significant snowfall and we close the roof level of each garage, the lost revenues add up quickly. He also added that the bulk of the decline from last year to this year occurs at Ft. Duquesne, which had on-going renovations, and said that the opening of the Saks garage had a direct effect on utilization at Mellon Square. He stated that just the Mon Wharf's 26 lost business days this year equates to \$105,000 in lost revenue.

Ms. Oliphant noted that in short, any loss or decrease in revenue can be explained and this is not about bad management another Toys R Us situation. She noted that this is why she prefers to look at trends and not just one year's numbers and said she believes that Mr. Cohen is also talking about looking at the trends and exploring what we can do to counter them.

Mr. Cohen noted that he saw this trend last year and asked what we can do to increase revenue in other areas, such as by placing additional meters throughout the city as the revenues from that source continue to grow. He questioned why Ft. Duquesne continues to decline in revenues.

Mr. Onorato responded that Ft. Duquesne has been undergoing renovations and said he anticipates that the trend will continue throughout this year. He described it as the price of being proactive in making the garage structurally sound and more aesthetically attractive.

Mr. Onorato clarified that he is concerned about revenue trends but he does not believe that the Authority is in a critical state.

Mr. Onorato discussed the Enforcement Report, noting that there is a decrease in ticket issuance while the Meter Revenue Report shows an increase. He stated that the Parking Court Report and Meter Revenue Reports both show decreases in revenue.

RESOLUTION NO. 5 OF MARCH 2018, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO UTILIZE ASPHALT MAINTENANCE SERVICES FOR AUTHORITY-OPERATED GARAGES AND SURFACE LOTS WITH THE CITY OF PITTSBURGH/COUNTY OF ALLEGHENY CONTRACTS, was read by Mr. Cohen and considered by the Board.

Mr. Onorato advised that Board that we are seeking authorization to allow the Authority to piggy back on City and County contracts for asphalt work for a cost not to exceed \$75,000 for this year.

Ms. Qureshi asked if this is for pothole repairs within the lots and asked if the Authority has done any type of cold-patching during this season to date.

Mr. Onorato responded that it could be for that type of repair or for others that may arise and be required. He said that we have not done any cold-patch repairs within our lots thus far this winter season.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Mr. Barron, Resolution No. 5 of 2018 was approved as follows: Ms. Qureshi, yes; Mr. Barron, yes; Ms. Oliphant, yes; Mr. Cohen, yes.

RESOLUTION NO. 6 OF MARCH 2018, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO UTILIZE CONCRETE MAINTENANCE SERVICES FOR AUTHORITY-OPERATED GARAGES AND SURFACE LOTS WITH THE CITY OF PITTSBURGH/COUNTY OF ALLEGHENY CONTRACTS, was read by Mr. Cohen and considered by the Board.

Mr. Onorato advised that this request is the same type as the prior resolution except this service is for concrete repairs at the lots and garages in the amount of \$50,000.

Mr. Cohen asked if these two projects were accounted for in the 2018 budget and if so at what amount.

Mr. Onorato responded that we did anticipate and include these costs in the 2018 budget and said the amounts listed represent the budgeted total. He said the funds would be used only on an as-needed basis.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Qureshi and seconded by Mr. Barron, Resolution No. 6 of 2018 was approved as follows: Mr. Barron, yes; Ms. Oliphant, yes; Mr. Cohen, yes. Ms. Oliphant stepped out of the room prior to voting.

RESOLUTION NO. 7 OF MARCH 2018, “A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO APPROVE A CHANGE ORDER AND FINAL PAYMENT TO NATHAN CONTRACTING, LP FOR THE ROOF LEVEL RESTORATION AND STRUCTURAL STEEL REPAIRS OF THE FORBES-SEMPLER PARKING GARAGE, was read by Mr. Cohen and considered by the Board.

Mr. Onorato advised that this resolution references the deck repair work at the Forbes Sempler Garage in addition to the replacement of steel beams and painting. He advised that the credit of \$2,200 is for the change order and the final payment is \$76,512.11. He advised that the total MBE/WBE participation on the project was 22 percent, part of that being payroll.

Mr. Holt noted that the overage was an allowance for unforeseen conditions.

Ms. Qureshi stated that a six-percent credit and a 22-percent minority participation rate would be nice to achieve on all projects.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Mr. Barron and seconded by Ms. Qureshi, Resolution No.7 of 2018 was approved as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Cohen, yes. Mr. Barron stepped out of the room prior to voting.

RESOLUTION NO. 8 OF MARCH 2018, “A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO SOLICIT PROPOSALS FOR PROFESSIONAL SERVICES FROM A QUALIFIED CONSULTING ENGINEERING FIRM FOR UPGRADES OF THE FIRE SUPPRESSION AND SPRINKLER SYSTEMS AT THE MELLON SQUARE PARKING GARAGE, was read by Mr. Cohen and considered by the Board.

Mr. Onorato advised that we are seeking authorization to obtain bids to upgrade the fire suppression and sprinkler system at the Mellon Square Garage and advised that the contract will be brought to the Board for approval.

Mr. Cohen asked if the Authority had an estimate on what it believes the cost should be.

Mr. Onorato confirmed that we do have a projected amount but that we do not like to release that information prior to bids.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Ms. Qureshi, Resolution No. 8 of 2018 was approved as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Cohen, yes. Mr. Barron was not present in the room at the time of voting.

RESOLUTION NO. 9 OF MARCH 2018, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO AWARD A CONTRACT TO DESMAN DESIGN MANAGEMENT FOR ENGINEERING CONSULTING SERVICES FOR EXHAUST SYSTEMS MODERNIZATION AT VARIOUS AUTHORITY-OWNED GARAGES, was read by Mr. Cohen and considered by the Board.

Mr. Onorato advised that this was a professional services assignment not subject to low-bid requirements. He advised that we combined the exhaust system upgrade for all of the garages in anticipation of securing a better price, but added that we don't anticipate all of them being replaced at one time so this contract is for the engineering services portion only. He stated that there are concerns regarding the dismantling and removal of some of the older systems due to their current placement in the facilities. He advised that the Authority received six bids for this service and said the Authority determined that the most advantageous proposal was submitted by Desman Design Management.

Ms. Qureshi advised that it would be interesting for the Board as well as staff to see a chart showing those Authority vendors who have been paid the most money over a period of time, maybe five or 10 years, to see who was our largest vendors. She stated that it would be enlightening to learn our vendors' contract history over a given period of time.

Mr. Onorato asked the Board if it was looking for a dollar amount or by contract.

Ms. Qureshi responded that they are looking at dollar amount only.

Mr. Barron asked if the Authority staff could determine any reason for the huge price difference in the bids.

Mr. Holt responded that the understanding of the RFP and the scope of work drives the cost of what needs to be done to accomplish the removal and replacement of the system. He cited Mellon Square as an example, where the units have been in place for over 45 years and the structures surrounding the duct work having had repairs over time helps dictate the estimate of the cost. Mr. Holt said vendors who have familiarity with the facilities have knowledge of these conditions and can bid more accurately for the work.

Ms. Oliphant asked if the replacement units are state of the art and energy-efficient.

Mr. Holt confirmed that the units will meet both objectives.

Mr. Cohen stated that because there is such a large amount between bids and the Authority does a significant amount of work with Desman Design, we should be in a position to negotiate and ask them to reduce their bid.

Mr. Onorato responded that we cannot do this legally without having to go back to every vendor and give them the same opportunity to adjust their price.

Mr. Wrona stated that this was an RFP and not a low-bid contract that would have required the bidders to submit a best and final offer. He stated that in that process, the Authority cannot tell a vendor that another vendor offered a certain amount and ask them to beat that company's price. He noted that it can say it in a way such as because the Authority does a lot of business with your company, it would be helpful if you could sharpen your pencils. He stated that in the scoring process the pricing was not the only factor.

Mr. Cohen asked if the Authority had the scoring results from this RFP and asked if the Board could be given that along with the Resolution.

Mr. Wrona stated that this type of information is not subject to disclosure under the right-to-know law and recommended that if the Board would like to see this information it should be shared in an Executive Session.

Ms. Oliphant asked if the Board could delay approving this resolution until it is satisfied with the process that produced it.

Mr. Smith, Procurement Manager for the Parking Authority, stating that in the scoring process, the entire Authority team looks at the finances, the specs and the services, reading line items page by page. He stated that some of the structural challenges are phased by Desman Engineering over a 10-year period and therefore we have a comfort level with them. He noted that although we are looking at a \$40,000 difference in the price, we are also taking into consideration the unforeseen conditions costs as well as their hourly rates, of which Desman's is less, so when everything is combined, including the potential of having one engineer familiar with any potential unforeseen conditions, it becomes the reason why you end up with a company that is \$40,000 above the next lowest bid. He also stated that postponing the resolution would cause issues with the necessary lead times.

Mr. Cohen said he was concerned that the Authority denies other vendors the opportunity to obtain work from the Authority if we award work based on a company's past history with the Authority and the comfort level that might result.

Mr. Smith responded that the other vendors who submitted a bid on this project have done work with the Authority on the Smithfield/Liberty rehabilitation project, at GSTC and on other projects.

Mr. Cohen responded that while staff's explanation makes sense, he would be more comfortable if it wasn't such a big dollar difference.

Mr. Wrona advised that if the Authority determined the vendor by scoring the bids in accordance with the weights described to it in the RFP, this process was done properly.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Mr. Barron, Resolution No. 9 of 2018 was approved as follows: Ms. Qureshi, yes; Mr. Barron, yes; Ms. Oliphant, yes; Mr. Cohen, yes

RESOLUTION NO. 10 OF MARCH 2018, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO AWARD AND ENTER INTO AN AGREEMENT WITH BLACKBAUD FOR A FUND ACCOUNTING SOFTWARE SOLUTION, was read by Mr. Cohen and considered by the Board.

Mr. Onorato advised that our current financial software package is outdated and we were notified that certain portions will no longer be supported externally. He advised that we issued an RFP for a new software system and are recommending the adoption of a cloud-based system at a cost of \$111,292 over seven years, or an average approximately \$16,000 per year. He advised that the ancillary costs would be for any additional training or maintenance during contract years two through seven.

Ms. Qureshi stated that she worked with Blackbaud and found them to be really good but really expensive, so she is surprised at their bid. She stated that she has found their annual fees to be very expensive and asked if we were comfortable with their level of ancillary services costs. She asked if the price included seven years of software and upgrades.

Mr. Onorato replied that the need for ancillary services would be generated by the Authority based on our need for additional training.

Ms. Williams added that during the interview with Blackbaud the Authority questioned the low cost of their proposal and said that the Authority did receive confirmation in writing from them that they stand behind their proposal and that it did include implementation, monthly maintenance costs, help desk costs as well as upgrades. She noted that this being a cloud-based service, our IT staff would not have to deal with any servers and said that our IT staff received comfortable level on their securities. She stated that this is Blackbaud's Financial Edge product.

Mr. Cohen asked that we verify that support means helpdesk.

Mr. Onorato stated that we will verify all contract components before it is signed.

Mr. Oliphant asked Ms. Qureshi if she had a good history with this firm.

Ms. Qureshi advised that this is a great software package and said she has had good history with them. She stated that she thought this was designed for private businesses and didn't realize that they service government entities.

Ms. Williams advised that our RFP is clear that the program has to be GASB and said the firm had its government expert at their demonstration.

Mr. Barron asked if the higher bids received were for physical products or if they were cloud-based.

Ms. Williams stated that she believed that the Phoenix product was very powerful and its used by a lot of Fortune 500 companies.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Mr. Barron, Resolution No. 10 of 2018 was approved as follows: Ms. Qureshi, yes; Mr. Barron, yes; Ms. Oliphant, yes; Mr. Cohen, yes

RESOLUTION NO. 11 OF MARCH 2018, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ISSUE A REQUEST FOR PROPOSALS (RFP) FOR AUTOMATED TELLER MACHINE (ATM) SERVICES FOR PARKING AUTHORITY GARAGES was read by Mr. Cohen and considered by the Board.

Mr. Onorato advised that we are looking for authorization to issue an RFP for placement of ATM machines in the garages for the use of customers in need of cash. He noted that the additions would generate a small, but additional revenue stream to the Authority.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Mr. Barron, Resolution No. 11 of 2018 was approved as follows: Ms. Qureshi, yes; Mr. Barron, yes; Ms. Oliphant, yes; Mr. Cohen, yes

RESOLUTION NO. 12 OF MARCH 2018, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO SOLICIT BIDS FOR REPAIRS AT THE SHILOH STREET PARKING PLAZA, was read by Mr. Cohen and considered by the Board.

Mr. Onorato advised that the Shiloh Street Parking Plaza structure is showing some signs of deterioration and we would like to solicit bids for any necessary repairs. He advised that we would bring any bids to the Board for approval prior to executing a contract.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Mr. Barron, Resolution No. 12 of 2018 was approved as follows: Ms. Qureshi, yes; Mr. Barron, yes; Ms. Oliphant, yes; Mr. Cohen, yes

RESOLUTION NO. 13 OF MARCH 2018, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO AWARD A CONTRACT TO OTIS ELEVATOR FOR THE ELEVATOR MODERNIZATION AT THE MELLON SQUARE GARAGE, was read by Mr. Cohen and considered by the Board.

Mr. Onorato advised that this is the next step in upgrading the elevators at the Mellon Square Garage. He noted that we recently replaced and made operational a freight elevator that was inactive for over 20 years. He stated that we are seeking to upgrade the two existing elevators, keeping one in service at all times together with the upgraded freight elevator. He advised that the Authority received one priced at \$721,337. He advised that Otis Elevator is the current vendor for preventive maintenance of those elevators.

Ms. Qureshi asked if we were aware of why other elevator companies did not bid.

Mr. Holt responded that he was advised that other elevator companies have previous commitments at this time and could not take on additional work.

Ms. Qureshi asked if the Authority believed that a \$700,000 bid was in line for this work.

Mr. Onorato responded that we believe it is in line.

Mr. Barron asked if it would be disruptive to the project to issue another RFP in hopes of obtaining a second bid.

Mr. Onorato stated that we could rebid this but his concern if we did so this company would realize that it was the only firm to submit a bid and perhaps raise its price the second time around.

Mr. Holt stated that the Authority reached out to construction bulletins, the City's Beacon as well as a number of elevator vendors, but this is a very specialized field and not many firms are able to completely rebuild an elevator. He said the work differs widely from a maintenance contract.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Mr. Barron, Resolution No. 13 of 2018 was approved as follows: Ms. Qureshi, yes; Mr. Barron, yes; Ms. Oliphant, yes; Mr. Cohen, yes

RESOLUTION NO. 14 OF MARCH 2018, “A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO AWARD A CONTRACT TO NATHAN CONTRACTING FOR THE REPAIR AND PREVENTIVE MAINTENANCE OF THE ELEVATOR SHAFT AT MELLON SQUARE PARKING GARAGE, was read by Mr. Cohen and considered by the Board.

Mr. Onorato advised that this relates to the prior resolution advising that the inspection of the current elevator determined that water coming into the shaft would need to be addressed before we installed the new elevators. He advised that this is a low-bid RFP and will be completed in coordination with the elevator upgrade project.

Ms. Qureshi asked if Otis Elevator could perform this work while they are completing the upgrade approved in the previous resolution.

Mr. Holt stated that the Authority’s intention is to complete this work on the shaft first.

Ms. Qureshi stated that this goes to her earlier point that it would be interesting to see which vendors get the majority of the Authority’s money. She stated that no doubt Nathan Contracting is a great vendor but she surmises that because they are frequently on-site and know our facilities well it would be mutually beneficial for them to be assigned the work.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Mr. Barron and seconded by Ms. Qureshi, Resolution No. 14 of 2018 was approved as follows: Ms. Qureshi, yes; Mr. Barron, yes; Ms. Oliphant, yes; Mr. Cohen, yes

OLD/NEW BUSINESS

Mr. Cohen asked if there was any new or old business for discussion.

There were none.

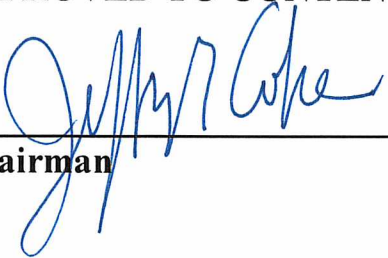
Mr. Onorato advised the Board that the new lighting fixtures are being installed at Third Avenue and Smithfield/Liberty.

The next Board meeting is scheduled for Thursday April 19, 2018 at 10:00 a.m.

Upon motion by Mr. Barron and seconded by Ms. Qureshi the meeting was adjourned at


11:36 am with all Board Members in approval.

APPROVED TO CONTENT



Chairman

ACCEPTED FOR FILING IN THE AUTHORITY'S BOOK OF MINUTES



Approval