

**MINUTES OF THE REGULAR MEETING OF THE
PUBLIC PARKING AUTHORITY OF PITTSBURGH
THURSDAY DECEMBER 18, 2014**

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 December 18, 2014 at 10:03 a.m. 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 and Jeff Cohen. Loralyn Fabian arrived at 10:04 a.m. Present from staff were: David Onorato, Anthony Boule, Chris Holt, Wes Pollard, Janet Staab, Debra Meyer, Traci Sowinski and Patricia Konesky. Also present were Jason Wrona of Buchanan Ingersoll & Rooney; Bob Bauder of the Pittsburgh Tribune Review and William Stewart of Strategic Communications.

MINUTES

Ms. Qureshi asked for approval of the minutes from the regular meeting held on November 20, 2014.

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

PUBLIC COMMENT

Ms. Qureshi asked if there were any public comments.

There were no public comments.

EXECUTIVE DIRECTOR'S REPORT

Mr. Onorato updated the Board that Pittsburgh City Council approved its budget containing the new Co-Op Agreement that the Board had previously approved and advised that the Authority will be executing its portion of that agreement. He advised that City Council also passed an on-street meter rate increase, an increase in enforcement hours, scheduled to begin in 2015, and the addition of new meters throughout certain designated areas of the city. He advised that with these changes, the City anticipates receiving additional revenues above those the Co-Op Agreement will generate.

Mr. Onorato updated the Board regarding the meetings and discussions regarding dynamic pricing with CMU professors Mark Fichman and Stephen Spear and Board Secretary Loralyn Fabian. He advised that the Authority will be forming a working group to examine our surface lot parking rates in the context of incorporating demand-based pricing. He extended the offer to participate in this working group to each Board member and advised that any recommendations

resulting from this process will be presented to the Board for review.

Mr. Onorato updated the Board on the statistics to date for the 2014 Holiday Free Parking season. He said results for the past four Saturdays and Black Friday showed that the Authority processed just over 31,000 transactions for an estimated revenue loss of \$171,000. He reminded members that the program will continue through this coming Saturday and said final numbers will be provided after completion of the program.

Mr. Onorato thanked the Authority staff for their participation in the Christmas Toy drive benefiting children served by the Holy Family Institute.

Mr. Onorato discussed the monthly reports, advising that the Authority should meet its revenue and expense estimates. He advised that the reports that will be presented next month will include actual year-end results.

Ms. Oliphant inquired if garage occupancy is moving in the direction the Authority anticipated noting the drop in usage after the rate increase.

Mr. Onorato replied that the occupancy has been increasing, noting that just as recently as yesterday the Third Avenue garage was at capacity and stacking vehicles. He advised that there are available spaces at the garages throughout the day to accommodate transient parkers, a result that the rate increase was designed to create.

Ms. Qureshi inquired if the Authority had an auditor selected to perform the annual Authority audit.

Mr. Onorato responded that Maher Duessel was awarded a three-year contract for this service when the Authority, the City and three other agencies joined together to issue a RFP and contract.

Ms. Fabian asked if there were any changes to the list of surface lots scheduled to be upgraded.

Mr. Onorato advised that we are proceeding with upgrades to approximately 10 lots in 2014 and were able to add repairs to a few additional locations using money budgeted but not spent as the work originally scheduled progressed and was completed.

Ms. Oliphant inquired why there was an increase in expenses for professional services and asked if we could identify any one that saw a substantial increase.

Mr. Onorato advised that these are professional contracts that do not all necessarily result from an issuance of an RFP. He said that they are all in line with our projected budget and doesn't believe there is any one increased substantially from our expectations. He stated that one of the larger contracts in this category is for the Parking Court Operator, which accounted for approximately \$1.9 million. Mr. Onorato reported, however, that the Authority recently issued an RFP resulting in a contract award that will realize future annual savings for this service. He noted that the legal fees are included in this category and said those costs decreased this year, but he added that we do anticipate an increase in next year's legal cost due to the two union contract negotiations that will occur in 2015.

Mr. Wrona mentioned that two items that legal counsel assisted the Authority in this year was the negotiation of the Co-Op agreement, which is most likely a once in a lifetime event, and the Parking Court RFP process which is a complex process.

Ms. Oliphant inquired about the account temps item.

Mr. Onorato advised that the Authority used a temporary agency for assistance in our Finance Department during the search for a permanent employee and for the consulting fee for our IT Department for the time the Authority was without a network administrator. He advised that both positions have since been filled.

Ms. Qureshi asked if there were any additional comments or questions.

There were none.

RESOLUTIONS

RESOLUTION NO. 44 OF DECEMBER 2014, "A RESOLUTION ADOPTING THE REGULARLY SCHEDULED PUBLIC PARKING AUTHORITY OF PITTSBURGH'S BOARD OF DIRECTORS' MEETING DATES FOR 2015, was read by Ms. Qureshi and considered by the Board.

Mr. Onorato stated that the Board meetings have historically been held the third Thursday of each month and if it did not create any issues for the current Board members we would like to keep the schedule consistent for 2015. He advised that the Authority will send a calendar prompt alerting members to the date and time of each month's meeting.

Upon motion by Ms Fabian and seconded by Ms. Oliphant, Resolution No. 44 of 2014 was approved as follows: Mr. Cohen, yes; Ms. Fabian, yes; Ms. Oliphant, yes; Ms. Qureshi, yes.

RESOLUTION NO. 45 OF DECEMBER 2014, "A RESOLUTION AUTHORIZING THE PUBLIC PARKING AUTHORITY OF PITTSBURGH' BANK ACCOUNTS FOR THE 2015 CALENDAR YEAR , was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised that the accounts listed are those we used in 2014.

Ms. Qureshi asked if the Authority issued an RFP for this service.

Mr. Onorato replied that at one time there was an RFP issued but that one has not been issued recently.

Mr. Cohen inquired if the Authority incurs fees on these accounts and, if that is the case, suggested that the Authority to monitor those fees and open a discussion with our bank for the purpose of reducing or eliminating them.

Mr. Onorato advised that these accounts do incur fees and some of those are substantial. He did advise the Board that we will look at the fees incurred and reach out to our bank regarding possible adjustments in the rates being charged.

Ms. Qureshi asked if the fees are net of deposits and advised that we should determine if any of these accounts are net negative, where the fees charged are greater than the interest earned.

Mr. Onorato confirmed that the fees are net of deposits and said that while he doesn't believe that any are net negative that will be confirmed for the Board.

Ms. Qureshi asked if there was an outside investment firm for the Authority's Pension Fund.

Mr. Onorato advised that the Authority retains Strategic Wealth Management to oversee the investment of the Pension Fund. He advised that the amount shown on this report is the amount which has been deducted from the employees' paychecks prior to transfer into the pension account. He advised that the Authority Pension Board meets quarterly with Strategic Wealth Management, and has done so for the last five years to review investments. He extended an open invitation to all Board members to attend these meetings and advised that the Authority has been achieving its benchmarks in investments during these last five years.

Ms. Qureshi asked if there were any questions or comments.

There were none.

Upon motion by Ms. Oliphant and seconded by Ms. Fabian, Resolution No. 45 of 2014 was approved as follows: Mr. Cohen, yes; Ms. Fabian, yes; Ms. Oliphant, yes; Ms. Qureshi, yes.

RESOLUTION NO. 46 OF DECEMBER 2014, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO PURCHASE ONE NEW FLEET VEHICLE, A 2015 FORD EXPLORER, FOR THE DEPARTMENT OF PROJECT MANAGEMENT FROM DAY AUTOMOTIVE GROUP, INC., was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised that the total PPAP vehicle fleet consists of 33 vehicles and advised that we are requesting to replace a 2003 Chevy Blazer currently with 102,000 miles. He noted that the Authority has a replacement schedule of vehicles to prevent a number of new vehicles being purchased at one time. He advised that vehicles are purchased outright and not leased.

Mr. Cohen stated that the Authority should consider leasing and not paying cash for

items which depreciate. He also expressed his preferences for vehicle purchases from firms within the city when possible.

Ms. Oliphant asked if the Authority has a joint purchasing agreement with other Authorities.

Mr. Onorato responded that we do not, but said that the Authority has the ability to piggy-back off of City contracts.

Ms. Qureshi questioned why there were seven vehicles assigned to the Project Management Department and asked if the 2000 Chevy Blazer was being taken out of service.

Mr. Holt responded that there are seven vehicles assigned to this department but that includes the vehicles assigned to maintenance employees as well. He also stated that the Blazer was the vehicle he used personally and said it is still in decent shape and useable.

Ms. Fabian asked for a reminder of the vehicle that was recently approved by the Board for purchase.

Mr. Onorato responded that it was the 2015 Chevy Silverado, also for the Project Management Department. He said one of its uses is to plow lots in the winter.

Ms. Qureshi noted that the resolution stated that this purchase to be funded by monies budgeted in the 2015 year.

Mr. Onorato confirmed that the funds are budgeted and paid from the 2015 fiscal year budget and said the Authority is being pro-active by getting the resolution approved and the paperwork prepared.

There were no additional questions or comments.

Upon motion by Mr. Cohen and seconded by Ms. Fabian, Resolution No. 46 of 2014 was approved as follows: Mr. Cohen, yes; Ms. Fabian, yes; Ms. Oliphant, yes; Ms. Qureshi, yes.

RESOLUTION NO. 47 OF DECEMBER 2014, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A GRANT AGREEMENT WITH THE GREEN BUILDING ALLIANCE (GBA) FOR NEW LED LIGHTING IMPROVEMENTS TO THE PARKING AUTHORITY'S FIRST AVENUE GARAGE AND STATION , was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised the Board that the Authority partnered with the City and the URA to apply for this grant for new lighting fixtures for the First Avenue Garage. He advised that the grant has been awarded to all three applicants, with our share being \$284,000. He advised that the Authority must match up to 50 percent of that amount, an amount already contained in our 2015 Capital Funds budget.

Ms. Fabian asked who initiated applying for this grant.

Mr. Onorato replied that the URA initially sought out this grant opportunity and then invited the Parking Authority to join in the application. He advised that our First Avenue Garage lighting requirements fit into the specification of the grant. He noted that the Authority will realize a savings of approximately 25 percent in energy costs once the new fixtures are installed. He stated that while there may not be any additional grant monies available, we are in the process of evaluating other facilities for this type of upgrade. He stated that our legal counsel is reviewing the process involving grant applications to see if there may be any available and the Authority is able to apply for on its own.

Mr. Cohen mentioned that Duquesne Light Company has obtained initiatives at the state level and suggested that they be researched to see if any are available.

Mr. Onorato advised that the lighting vendors deal directly with suppliers and are aware of any credits or programs available. He noted that the Authority would be required to do an RFP for that process.

Mr. Wrona commented that generally the way that the Authority finances these improvements is through an energy savings agreement whereby a lighting vendor or the power company funds the initial improvement and the guaranteed payment stream resulting from the energy savings is pledged to support the debt incurred. He said that once that debt burns off, the entity involved continues to enjoy the benefit of the energy savings. Mr. Wrona stated that Buchanan Ingersoll and Rooney is happy to work with the Authority in this process.

Mr. Onorato stated that we anticipate approximately three years to pay off the debt.

Ms. Oliphant inquired if the Board could be advised of an estimated cost of installing LED lighting in all of the downtown garages, and asked when the data would be available. She also asked if the Green Business Alliance would be involved in obtaining this estimate rather than relying solely on the input of vendors.

Mr. Onorato advised that the Authority has been working with various vendors, without violating the procurement process to assist the Authority in developing a budget for replacing the lighting throughout our entire garage system. He stated that we should have that estimate within a month or two. He advised the Board that being a member of International Parking Institute by and networking within that organization, we have developed relationships with members who are experts on this subject. He said the organization has volunteered to assist the Authority in the entire RFP and evaluation process.

Ms. Oliphant stated that she would be interested to find out what the savings would be and if there are any other ways of getting this funded other than utilizing government or Duquesne Light funding. She stated that there are private firms interested in sustainability and improving the environment.

Mr. Cohen stated that these are the types of things the Authority needs to improve upon.

Mr. Onorato responded that the Authority would need to follow the procurement process and most likely issue an RFP for this service.

Ms. Oliphant stated that she commends the Authority for being pro-active and participating in these types of initiatives.

Ms. Qureshi inquired as to who received the money from PETA and if the Authority is paying any fees. She also inquired as to what procurement process the Authority will follow.

Mr. Onorato replied that the Authority will pay the invoices and will be reimbursed from GBA once the invoices are paid. He noted that there are no fees to be paid but stated that there may be a required audit at the end of the process.

Mr. Holt responded that the Authority will issue an RFP for professional services to complete the analysis of the lighting system to be followed by the actual purchase and installation of the fixtures.

Ms. Fabian inquired if we are aware of any other cities who implemented LED lighting in 100 percent of their facilities.

Mr. Onorato advised that he is not aware of any cities that have proceeded in this manner but said he was aware of universities that have done so, noting that Ohio State University has a fairly large system and has implemented replacing all of its lighting.

Upon motion by Ms. Fabian and seconded by Mr. Cohen, Resolution No. 47 of 2014 was approved as follows: Mr. Cohen, yes; Ms. Fabian, yes; Ms. Oliphant, yes; Ms. Qureshi, yes.

RESOLUTION NO. 48 OF DECEMBER 2014, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO NEGOTIATE AND ENTER INTO, ON BEHALF OF THE PUBLIC PARKING AUTHORITY OF PITTSBURGH, A LEASE AGREEMENT WITH PITTSBURGH NEWS, INC. FOR THE COMMERCIAL SPACE IN THE FT. DUQUESNE AND SIXTH STREET GARAGE , was read by Ms. Qureshi and considered by the Board.

Mr. Onorato updated the Board that Pittsburgh News has been our current commercial lease tenant at the Ft. Duquesne and Sixth Street Garage for the past five years under an existing contract and said we are asking for approval to extend their lease for an additional five years under basically the same terms and conditions. He noted that the base rent would remain the same for the first three years at \$19,650 per year, or \$1637.50 per month, and would increase by three percent in years four and five. He noted that there is also an additional monthly cost of \$125 for locating and maintaining an ATM in their facility.

Ms. Fabian inquired as to why there was no increase in the rent.

Mr. Onorato advised that the firm is a good tenant and, with commercial space in the Downtown area being difficult to rent, we try to keep our existing tenants in place whenever possible. He also advised that the rate is in line with market rates for the area.

Mr. Wrona stated that historically when the Authority has vacancies in these types of spaces, it has had a difficult time finding a tenant willing to occupy the space.

Ms. Qureshi added that having this type of vendor as the tenant provides added benefit to garage patrons.

Ms. Qureshi noted that the letter of intent was signed prior to Board action and inquired if the letter would need to be signed.

Mr. Onorato advised that the letter of intent is not in effect until the Board approves it and it is executed by the Authority. He also advised that a lease amendment will be developed and said that this will be the binding agreement.

Ms. Qureshi asked if there were any additional questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Ms. Fabian, Resolution No. 48 of 2014 was approved as follows: Mr. Cohen, yes; Ms. Fabian, yes; Ms. Oliphant, yes; Ms. Qureshi, yes.

RESOLUTION NO. 49 OF DECEMBER 2014, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO PURCHASE THIRTY (30) MULTI-SPACE PARKING METERS WITH PAY-BY-PLATE TECHNOLOGY FROM CALE AMERICA, INC., was read by Ms. Qureshi and considered by the Board.

Mr. Onorato reminded the Board that it recently approved a prior resolution for the purchase of 20 meters and said 16 of those are already installed and in use. He advised that we are being pro-active in ordering additional meters based on City Council's actions to approve meter rate increases and identify additional areas for meter installations. He also noted that the contract specifies that meter prices are due to increase in May of 2015 so we wanted to order before that time. He also noted that we will be purchasing them using money budgeted in the 2014 fiscal year.

Ms. Fabian asked if the Authority was aware if the City has already determined the area and spaces for new installations and if any involved the replacement of single-space meters.

Mr. Onorato replied that these meters will be installed in various areas including Lawrenceville, the Strip District, Downtown, South Side, North Shore, Oakland and Uptown. He noted that these are newly identified spaces and do not involve replacing single-space meters.

Ms. Qureshi asked what areas of the City still had single-space meters.

Mr. Onorato replied that single-space meters remain in the West End, Carrick, Beechview and Mt. Washington neighborhoods as well as in two surface lots in Allentown. He advised there are approximately 500 single-space meters still in service system-wide and that we do not anticipate replacing those with pay-by-plate meters because the rate in those areas is low enough where we

replacing those with pay-by-plate meters because the rate in those areas is low enough where we do not believe it to be an issue of patrons having enough quarters available for payment. He also said that he believes the implementation of pay-by-phone parking will help improve the situation by adding the credit card payment option in those locations.

Mr. Cohen asked why the price of the meters is increasing when the normal trend is for technology advances to decrease in cost the longer they are circulation.

Mr. Onorato replied that he believes that even with the price increase, we are getting the meters well below market price. He advised that in 2012 the cost of a meter was \$5,900 and we contracted that the price, including installation, would remain in effect for seven years. He advised the Board that 10 vendors responded to the RFP and all were required to include costs for a seven-year period. He advised that while these funds were budgeted for 2014, we were not going to spend it this year because we didn't see the benefit of ordering and just storing them in our warehouse. Mr. Onorato explained that, due to City Council's actions, we now want to take advantage of using the 2014 funds budgeted to place the order to meet this need in a timely fashion, noting that there may be a possibility of an additional order sometime in 2015 from funds included in the 2015 budget.

Ms. Qureshi asked if there were any questions.

There were no questions or comments.

Upon motion by Ms. Fabian and seconded by Ms. Oliphant, Resolution No. 49 of 2014 was approved as follows: Mr. Cohen, yes; Ms. Fabian, yes; Ms. Oliphant, yes; Ms. Qureshi, yes.

RESOLUTION NO. 50 OF DECEMBER 2014, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO NEGOTIATE AND COMMENCE THE SALE OF SINGLE-SPACE METERS AND METER PARTS REMOVED FROM THE STREETS AND LOTS OF THE CITY OF PITTSBURGH DURING THE RECENT METER TECHNOLOGY UPGRADE, AS OPPORTUNITIES ARISE, was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised that following advertisements by the Authority, we have received interest from Homestead Borough expressing interest in purchasing approximately 60 single-space meters that have been removed from service. He advised that the Authority had previously received approval for two prior sales from larger municipalities at prices of \$50.00 each and said staff would like to have the ability to negotiate additional sales as opportunities arise. He advised that the current scrap value is minimal at \$11.00 per 100 pounds and said that weight might represent five or six meters. He also noted that City Councilman Gilman mentioned about a website being developed that will list City property assets for sale, and stated that the Authority will be contacting him to have these meters added as an available item for purchase. He noted that because all Authority identification has been removed from the meters, as well as all locks and keys, there will be some refurbishing required by their buyers.

Ms. Qureshi asked if the companies arrange pickup of these meters they purchased.

Mr. Onorato stated that the first two companies did pick up their meters and we would most likely require that all other municipalities continue that practice so there is no cost to the Authority.

Ms. Qureshi asked if there were any questions.

There were no questions or comments.

Upon motion by Ms. Oliphant and seconded by Ms. Fabian, Resolution No. 50 of 2014 was approved as follows: Mr. Cohen, yes; Ms. Fabian, yes; Ms. Oliphant, yes; Ms. Qureshi, yes.

OLD/NEW BUSINESS

Ms. Qureshi asked if there was any old or new business.

Mr. Cohen asked if Mr. Onorato was able to give the Board an update of who is responsible for collecting the credit card fees at Parking Court.

Mr. Onorato responded that Duncan collects the convenience fees and retains that revenue, but noted that they also pay all of the fees associated with credit card processing.

Ms. Oliphant asked if Mr. Onorato or any management employee was assigned to interact with Sustainable Pittsburgh, and if not, said she would like to introduce Mr. Onorato to members of that organization. She also noted that there is a conference in May that the Authority may benefit from participating.

Mr. Boule responded that he worked with Sustainable Pittsburgh on certain specific projects and said that he does attend meetings on the Authority's behalf. Mr. Onorato advised that he did attend the kick-off meeting for the conference program and said he offered the Authority's assistance and advised that he would be happy to continue to participate. He stated that he would share with information on his future involvement in the event with the Board.

Ms. Oliphant asked if the Authority was involved in the Traffic 21 Program.

Mr. Onorato stated that the Authority's involvement with this program is more with the Pittsburgh Cultural Trust and the ParkPGH pilot program.

Ms. Oliphant stated she believed that it is important for the Authority to be involved with this program now rather than responding at a later date. She stated that we need to be an active partners in future planning for the city, and said she would like to re-introduce Mr. Onorato to the Executive Director of Traffic 21, Stan Colwell. She added that she believes it would be advantageous to meet with them to learn what they are doing.

Ms. Fabian and Mr. Wrona both stated that they would like to be part of this meeting as well.

Ms. Qureshi asked if there were any additional questions or comments.

There was none.

The next Board meeting is scheduled for Thursday, January 15, 2015 at 10:00 a.m.

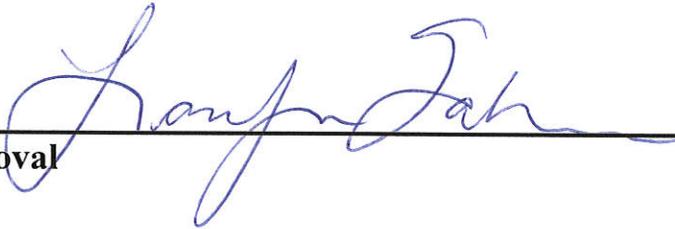
Upon motion by Ms. Oliphant and seconded by Ms. Fabian the meeting was adjourned 11:05 am.

APPROVED TO CONTENT



Chairman

ACCEPTED FOR FILING IN THE AUTHORITY'S BOOK OF MINUTES



Approval