

**MINUTES OF THE REGULAR MEETING OF THE
PUBLIC PARKING AUTHORITY OF PITTSBURGH
THURSDAY, SEPTEMBER 26, 2019**

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 September 26, 2019 at 232 Boulevard of the Allies, Pittsburgh, PA 15222-1616. The following Board members were present at the start of the meeting: Jeff Cohen, Aradhna Oliphant, Matt Barron, Cathy Qureshi and Erika Strassburger. Present from staff were: David Onorato, Chris Holt, Gwendolyn Bolden, Jo-Ann Williams, Philip Savino, Janet Staab, Tracy Sowinski, Kathryn Van Why, Deb Kerestes, Scott McNaugher, Bob Wilson and Pat Konesky. Also present was Jason Wrona of Buchanan Ingersoll; Steve Falatovich and Elliott O'Brien of Meter Feeder, Bryan Martucci of H.R. Gray and William Stewart of Strategic Communications.

MINUTES

Mr. Cohen asked for approval of the minutes from the July 18, 2019 meeting.

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

PUBLIC COMMENT

Mr. Cohen asked if there were any public comments.

There were none.

EXECUTIVE DIRECTOR'S REPORT

Mr. Onorato informed the Board that the EV charging stations have been installed at the Smithfield/Liberty Garage and said a joint ceremony with Duquesne Light was held to dedicate the 16 spaces controlled by the dual chargers. He said they all were installed at no cost to the Authority.

Mr. Onorato updated the Board on the demolition process of the Ninth and Penn Garage showing a time-lapse video of the process to date. He advised that our contractor's progress is ahead of schedule and noted that the Cultural Trust's work to obtain its permits is continuing.

He noted that the Authority is currently working on the design portion with the Tim Haahs firm and said we are sharing those design options with Cultural Trust representatives.

Mr. Onorato advised the Board that two meters, covering 12 spaces, have been removed permanently from Forbes Avenue between Wood Street and Market Square as the City is widening the sidewalks and eliminating parking in that location. He noted that the two meters averaged receipts of \$31,000 per year for the last two years and said their removal will be a revenue loss for the Authority and the City.

Mr. Onorato advised the Board that the Penn Circle N.W. lot, consisting of 125 spaces, is now completely closed to the public and has been turned over to the URA.

Mr. Onorato advised that based on our eight months of financials to date, the Authority is expecting a 2019 transfer of \$29.8 million to the City in accordance with the co-op agreement.

Mr. Onorato advised that Park Mobile has begun a radio marketing program and reported that this month's app downloads have increased by 1,500 transactions. He said the firm also has supplied new stickers for its kiosks and installed additional signage throughout the city.

Ms. Oliphant asked what prompted the marketing push and who was paying for it.

Mr. Onorato stated that both he and Mr. Cohen communicated to Park Mobile that additional promotion would be productive and said the informational stickers on the meters were showing wear and tear and needed to be updated. He noted that the zone numbers on the new stickers are larger and more visible and advised that Park Mobile is paying for the ads and the new stickers and signage as well.

Mr. Cohen added that vendors sometimes get comfortable and need to be held accountable, noting that an increase in visibility and usage relates directly to increased revenue.

Ms. Strassburger mentioned that the Office of Community Affairs, the liaison between the Mayor's Office and various community throughout the city, is available to help get our message out. She said the office contacts every city community group every month and offered to assist in the introduction of the Authority to its members.

Mr. Barron commended the suggestion and asked if Park Mobile had any handout materials that we could give to the Office of Community Affairs for distribution to its contact groups.

Mr. Onorato discussed the Finance Report, noting that through two-thirds of the year, total revenue is down by less than one percent while year-to-date results are up 4.7 percent, and we are on target. He advised that our expenses, both year to year and year to date versus budget, are below 2018's totals.

Ms. Oliphant asked for an explanation on the line listed as other income.

Ms. Williams replied that the entry represents various income categories such as vending machine income and lease card replacement income. She noted that we received a rebate this

year in the amount of \$256,000 for lighting upgrades, resulting in this number being significantly higher than usual.

Ms. Qureshi asked if it would be possible to get multi-year parking facility receipts so that the Board can evaluate performance trends to see if there is a decline.

Mr. Onorato responded that the Authority will provide that data but advised that parking revenues have been steady over the last several years, despite no parking rate increases and an average annual loss of more than 200 spaces due to major construction.

Ms. Qureshi stated she understood the need to look at multi-years, noting that while the business model may not have changed yet, it will. She noted that, as an example, there was availability today in the Wood Allies Garage during daylight hours, which is a condition outside the norm.

Mr. Cohen added that parking patterns do change, driven for example by the Uber and Lyft services as well as businesses allowing employees to work from home.

Mr. Barron noted that the BRT coming on-line may also push people to use other modes of transportation.

Mr. Onorato added that a bigger concern is the loss of parking as the BRT could result in the removal of a large number of street spaces.

Ms. Oliphant asked the expected arrival date of the BRT and if the Authority was doing scenario forecasting or had the capacity to do so. She suggested someone like Deloitte or McKenzie as possible providers for that service. She asked if the communication is open with the City and if it is providing any forecast of BRT's impact prior to its implementation.

Ms. Onorato responded that he does not believe that federal funding, for the system has been executed yet and advised that the Authority is beginning to look at projected routes plans to gauge the number of parking spaces to be lost and the revenue involved. He stated that his current understanding is that one lane will be dedicated to passenger loading and unloading and vehicle travel will be confined only to the middle lane. He advised that he does provide the projected loss revenues we will incur to the administration during his routine meetings on the matter.

Ms. Strassburger stated that the Board should discuss the best course of action.

Ms. Oliphant agreed, noting that this is the level of governmental responsibility that the Board has, not just looking at next year's revenues.

Mr. Cohen noted that the City does not routinely ask the Authority for advice or information prior to implementing changes.

Ms. Qureshi said, speaking as someone who has worked in that office, everybody is very busy and although the Parking Authority is the single largest taxpayer to the City, it still represents

less than five percent of the budget and not all information is shared with them as they work to balance the city-wide budget.

Mr. Cohen said he agreed and stated that he would like to see the Authority involved as early as possible in the planning stages.

Ms. Oliphant stated that while we can't control the City's process, we can set guidelines for our planning for 2023 to 2026.

Mr. Barron agreed and stated that he believes that we could develop an RFP, which would not be costly to the Authority but may be helpful in budget planning, by our Finance Department and the Board while also providing additional data to the City as it develops theirs.

Mr. Onorato discussed the Facility Report, which he said matches the data in the Finance Reports. He noted that we did remove Ninth and Penn revenues so that we can compare the remaining garage results on a year-to-year basis independent of Ninth and Penn while it is off-line.

Mr. Barron noted a big drop in the Shadyside Garage and asked if we were able to determine the factors producing in this decline.

Mr. Speers responded that it is a direct result of businesses moving out of the area and stated that the trend began about 24 months ago.

Ms. Strassburger noted that many city neighborhood business districts are seeing a decline due to loss of smaller businesses and an increase in the presence of national retailers.

Ms. Oliphant asked the amount of parking revenue generated in the Strip District.

Mr. Onorato responded that we would research the data and provide it. He said there is a small decline in the area due to construction and said he does not believe there is any severe reduction when there is not any ongoing construction activity.

Mr. Onorato discussed the Enforcement Reports, advising that their increases reflect meter, RPP and street cleaning as being the highest categories of tickets issued. He advised that the overall revenues are up 2.2 percent from last year, including an increase in the number of lot leases.

Mr. Cohen stated that this is why it is imperative that the Authority gets the pay-by-phone app functioning in our lots, noting that payments by phone are higher than payments made at meters.

Mr. Onorato confirmed that the average payment at the meter is \$2.34 compared to \$2.69 for payments per phone-app transaction.

Mr. Onorato discussed the Parking Court Report, stating that the revenue increase is a direct reflection of the volume of tickets issued.

Mr. Cohen asked if there were any questions.

There were none.

RESOLUTION NO. 27 OF SEPTEMBER 2019, “A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO RATIFY A CONTRACT WITH BAIANO CONSTRUCTION, INC. FOR ADDITIONAL CONCRETE REPAIRS AT THE MON WHARF PARKING PLAZA, was read by Ms. Oliphant and considered by the Board.

Mr. Onorato advised that the work is already completed and said the Authority expanded its scope to include additional areas of the driving lanes beyond the entrance of the bike lane. He advised that the repairs were full deck in scope and were received well by the public.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Mrs. Oliphant and seconded by Ms. Qureshi, Resolution No. 27 of 2019 was approved as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Barron, yes; Ms. Strassburger, yes; Mr. Cohen, yes.

RESOLUTION NO. 28 OF SEPTEMBER 2019, “A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO AWARD A CONTRACT TO NATHAN CONTRACTING, LP FOR STAIR TOWER REPAIRS AT THE WOOD ALLIES PARKING GARAGE, was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised that this work was identified in the annual inspection report and said the Authority is being proactive in seeking the repair of these two stairwells. He advised that Nathan Contracting submitted the lowest bid price, noting that there was a significant difference between its bid and that of the second lowest bidder. He added that Nathan reported that it did understand the scope of work and could complete the work for the bid amount.

Ms. Oliphant asked if the Authority had used Nathan Contracting in the past and if we were we pleased with their performance on previous projects.

Mr. Onorato responded that we have worked with Nathan Contracting in the past and that we have been pleased with their past work.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Mr. Cohen, Resolution No. 28 of 2019 was approved as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Barron, yes; Ms. Strassburger, yes; Mr. Cohen, yes.

RESOLUTION NO. 29 OF SEPTEMBER 2019, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO NEGOTIATE AND ENTER INTO AN OPTION AND LEASE AGREEMENT WITH NEW CINGULAR WIRELESS PCS, LLC., was read by Ms. Strassburger and considered by the Board.

Mr. Onorato advised that Board that we are seeking authorization to negotiate a contract with New Cingular Wireless of AT&T to install an antenna on the roof above the exit ramp of the Third Avenue Garage. He advised that there will be no loss of parking spaces. He said that once the agreement is signed, we will receive \$1,000 per month until the antenna is installed and \$3,500 per month, or \$42,000 per year when it is in place. He advised that the firm is responsible for all maintenance and said staff would need to come back to the Authority to negotiate any plans to expand the installation.

Mr. Barron stated that the administration is working on telecommunications throughout the city and asked if this agreement is in line with the rates established at the City level.

Mr. Onorato advised that we have not corresponded or cooperated with anyone at the City but said the Authority did its own due diligence and reached out to the SEA and private parking operators through Buchanan Ingersoll and Rooney. He said we feel confident that we are obtaining the same return as others for this type of transaction.

Ms. Qureshi asked if the location of this equipment will result in any loss of spaces.

Mr. Onorato responded that the helix ramp is covered by a roof and this antenna will be placed on the section of the roof.

Mr. Barron asked if this is a month-to-month situation as there is no term reference in the resolution.

Mr. Onorato stated that he believes that it is a five-year term with a three-percent annual increase and said the term data will be shared with the Board before the contract is executed.

Mr. Barron stated that while he doesn't believe that there has been any formal resolution or policy implemented to date, he believes that the City is working on establishing guidelines regarding rates for installations of this type. He mentioned that we may want to share the details of this contract with the City's finance department. He also asked who is liable should there be any issues with the installation resulting in property damage.

Mr. Onorato responded that liability of any damage would be the responsibility of the provider's insurance and said we will make sure that this subject is addressed in the agreement.

Mr. Cohen asked how the Authority arrived at that monthly rate.

Mr. Onorato advised that AT&T originally proposed a much lower rate, noting it was through the Authority's due diligence that we determined that the quote was less than others were receiving. He said that the firm subsequently agreed to pay a much higher monthly amount.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Mr. Barron and seconded by Ms. Qureshi, Resolution No. 29 of 2019 was approved as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Barron, yes; Ms. Strassburger, yes; Mr. Cohen, yes.

RESOLUTION NO. 30 OF SEPTEMBER 2019, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO AMEND A CONTRACT WITH TIM HAAHS AND ASSOCIATES, INC. FOR SCOPE CHANGES TO PROFESSIONAL DESIGN SERVICES FOR THE REDEVELOPMENT OF NINTH AND PENN GARAGE, was read by Mr. Barron and considered by the Board.

Mr. Onorato advised that one change order is related to the contract's survey component and said when the original survey was completed, we realized that an additional survey would be required. He noted that this was the Alta Survey, which is more detailed and is required by the County. He advised that the second change order relates to the land swap with the Cultural Trust, noting that the design went back and forth multiple times with the Trust and involved several footprint variations.

Mr. Cohen stated that while he's not aware of the full Tim Haahs contract cost, he does not like to be nicked and dined to death with additional charges.

Ms. Oliphant added that she believes that this is the way professional service contracts work and wonders if the firm is trying to send a message that clients are required to pay for any changes that occur.

Mr. Qureshi stated that this happens but the problem that she has is something like when the architect makes a mistake and misses something the client is held hostage and has to have it added or corrected. She said she doesn't believe that to be the case in this situation and recognizes that scopes of work do change and a subcontractor was the one that had to correct this one.

Mr. Wrona added that the survey is required to back the insurance policy for the new garage and on the surveyor assumes a professional liability to complete it. He added that it's a reasonable request for them to be paid. Mr. Wrona said the second change order is consistent with the number of interactions that the Authority had to have with the Cultural Trust to finalize the

project footprint, which took much longer than anticipated to resolve. He stated that he does not believe that these change orders are egregious in that they involved numerous calls and discussions both in person and by phone. He said he believes the cost increases are warranted and are a by-product of negotiations than were more protracted than expected.

Mr. Onorato noted that the Authority is paying for half of the changer order costs and the Pittsburgh Cultural Trust is paying for the other half. He noted that originally there were three change orders, one of which was negotiated out of existence.

Ms. Strassburger stated that our suppliers are working with a governmental agency and therefore may feel the need to document every step of the process.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Mr. Cohen, Resolution No. 30 of 2019 was approved as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Barron, yes; Ms. Strassburger, yes; Mr. Cohen, no.

RESOLUTION NO. 31 OF SEPTEMBER 2019, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXTEND THE CONTRACT WITH DUNCAN SOLUTIONS FOR THE OPERATIONS OF THE PITTSBURGH PARKING COURT IN ORDER TO ALIGN BUDGET TIMELINES, was read by Mr. Cohen and considered by the Board.

Mr. Onorato advised that the original contract was awarded in April and the agreement signed effective May 1. He said this resolution simply extends the agreement for an additional seven months in order to put both entities in the same calendar year for budgeting purposes.

Ms. Oliphant stated that this seems logical and pretty simple to do but said she wanted to make sure that this action was above board and being done only to make the budgeting process more streamlined.

Mr. Onorato confirmed that this was the case and that no changes are being made.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Mr. Barron, Resolution No. 31 of 2019 was approved as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Barron, yes; Ms. Strassburger, yes; Mr. Cohen, yes.

RESOLUTION NO. 32 OF SEPTEMBER 2019, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO INCREASE PARKING RATES AT SELECTED AUTHORITY-OPERATED GARAGES, was read by Mr. Cohen and considered by the Board.

Mr. Onorato advised that the Authority evaluated our garage rates in the context of the market average and is requesting to increase prices in those bands where we are greater than 40 percent below market and would still be the low-cost provider of parking in central business district. He reported that a three-step rate increase was approved in 2014, but the one scheduled for implementation in 2017 was rescinded.

Ms. Qureshi asked if these projected rate increases were being used in the 2020 budget projections currently being developed. She stated that her view would be that we are doing this in context of the budget, noting that we still have another month to have one-on-one discussions on that subject and asked if we would consider delaying voting on rates today to provide more time for discussion.

Mr. Onorato responded that in addition to the budgeting reasons, rate increases would reflect well on our financial position when we reach out for our new debt, which we are hoping to do by the end of the year.

Mr. Qureshi noted that it would result in a higher bond grade.

Ms. Oliphant asked if it would be beneficial to have a special meeting of the Board to discuss the rates and said she seconded Ms. Qureshi's motion to delay the vote and have a separate meeting.

Ms. Barron stated that his opinion is that for the most part these rates have not increased for five or six years and we are not even keeping up with the rate of inflation or the cost of increases in our budget, adding that even with this proposed increase we are still well below the private market. He said he would be prepared to vote on the resolution today.

Mr. Cohen stated that since we have not raised rates in years and even with this increase, we will still be about 35 percent below market. He also said that we will continue to lose revenue from the closure of Ninth and Penn.

Ms. Oliphant stated that this is the type of discussion that both she and Ms. Qureshi expected and suggested delaying the vote and having this discussion at a later time.

Mr. Wrona stated that a discussion of this type is required to be held in the public if a quorum is present.

Mr. Cohen stated that the Authority needs to show the lenders that the Authority understands what is happening in our business and if things remain unchanged, we might not get a financing rate that benefits the Authority. He stated that he and Mr. Onorato had these discussions over the last few months and had also met with Merrill Stabile who controls the

majority of the privately-operated facilities in our market and who mentioned that if the Authority doesn't raise rates is leaving a lot of money on the table that it could be receiving.

Ms. Williams stated that this is what the financing and underwriting team is saying and noted that it is required that the rating agencies to see a projection of sustainability. She said that without these numbers, we would have to make expense cuts. Ms. Williams stated that she believes that the proposed rate increase is warranted.

Ms. Oliphant asked to be reminded of the reason why the planned 2017 rate increase was rescinded.

Mr. Onorato stated that the rate increase was to be in three steps, with the largest being implemented in 2014 and a second, smaller one implemented in 2015. He said that, as the timing of the third step approached, its potential impact on usage was evaluated and was found to be unproductive.

Mr. Cohen noted that the current projected increase is so minimal that we are not even closing the gap on inflation. He said believes that this increase is very, very conservative and he asked if we know what increase in revenue this rate change would yield.

Mr. Onorato advised that the gross revenue increase would be approximately \$1.4 million, with \$366,000 being the City's share in parking tax and the remainder staying with the Authority.

Mr. Speers added that when we do these projections, we leave out what he called the non-ratable tickets, which covers anything in excess of a 24-hour period. He said we then take a rolling 12 months of all transactions for all of the garages to calculate the overall increase in gross revenues.

Ms. Oliphant stated that this increase is not the same percentage across the board but is based on utilization and stored transactional data.

Mr. Cohen stated that he normally is against raising rates but feels we need to address these types of issues when we can.

Ms. Oliphant stated that what we are hearing from our colleagues is that since the Authority has had the advantage of having looked at the situation and done its due diligence, it is time to get to the table. She asked the difference in our rates and those charged by others.

Mr. Onorato replied that we are between 25 and 38 percent lower than others based on the zones involved. He stated that we would give our lease customers a 30-day notice of the change and would also post the information in each garage location.

Ms. Strassburger noted that she sees a very slight variation from garage to garage even though they are all downtown and in close proximity to each other and said she was interested in finding out what determining factors were used to arrive at this increase. She also asked how we would be handling the church rate.

Mr. Onorato used the example that the Wood Allies Garage, noting that even though it is downtown, its appeal differs from the Mellon Square where everyone would prefer because of its central location. He stated the church rate will remain unchanged and will continue a validation program and also referenced Oliver Garage where one particular rate band is being reduced.

Ms. Qureshi stated that she noted that everything went up a dollar with the exception of Ninth and Penn, which increases almost 30-percent.

Mr. Speers stated that the current rate at Ninth and Penn is \$13.00 per day and said that facility will not be included in this increase. He said its rates will be examined at the time of the garage's re-opening.

Ms. Oliphant asked if we are anticipating any backlash.

Mr. Onorato responded that he does not believe that we will. He noted that there may be a few customers who choose to leave our facilities but going elsewhere would likely have them paying significantly more to park.

Mr. Barron suggested that when we advertise this increase, we should make sure to emphasize that our rates are still well below market.

Mr. Cohen stated that we should have a rate strategy over the next two or three years and also review utilization for the next six or seven months to see where we are as a result of this increase.

Mr. Speers added that you have to be very careful when you are doing a multi-tiered rate increase. He noted that when we implemented the first phase of the 2014 increase the private operator right next to our Oliver Garage immediately raised the rates there. He said that when we did not implement the planned increase in 2017, that garage lowered its prices to more competitive. He stated that it's hard to see the pattern unless you do increases on an independent, yearly basis.

Ms. Oliphant asked if our increase could be too little and expressed her concern that we would see a decline in parkers.

Mr. Onorato said his recommendation is that we should look in 2020 to see how this increase affected utilization and determine then if another adjustment is warranted for 2021.

Mr. Cohen added that he does not believe that there will not be a noticeable decline, noting that if parkers utilize a private garage, they will be paying a much higher rate. He added that this is not as significant increase as the one in 2014 and stated that we want to make sure that we are adapting to market changes regarding utilization and pricing.

Ms. Oliphant commented that what she is hearing is that this Board may not wait three years to adjust rates, that the issue will return prior to that after a thorough review of the issue.

Mr. Cohen responded that it depends on the revenues, that if they keep increasing an increase may not be warranted. He said that if they decline the Board has to decide on cutting expenses and/or increasing rates, adding a suggestion that rate structure be reviewed in six months.

Ms. Qureshi asked if the Authority talked with its colleagues in City government about this issue and if they had to be found to be supportive.

Mr. Onorato confirmed that the City administration is aware of our plans and said we have their support.

Ms. Strassburger offered to be a liaison with City Council members to make them aware of the change.

Mr. Barron stated that he believes this increase to be very conservative and said he appreciates that the board has a responsibility to be below market and we still will be with this increase. He repeated that he is very comfortable with this rate increase.

Mr. Cohen asked if a subject like this could be discussed in Executive Session.

Mr. Wrona responded that in numbers short of a quorum, the Board can meet with the Executive Director to gain a better understanding of a particular agenda item.

Mr. Cohen asked if there were any additional questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Ms. Strassburger, Resolution No. 32 of 2019 was approved as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Barron, yes; Ms. Strassburger, yes; Mr. Cohen, yes.

RESOLUTION NO. 33 OF SEPTEMBER 2019, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO AWARD A CONTRACT TO DESMAN DESIGN MANAGEMENT, A CONSULTING ENGINEERING/ARCHITECTURAL FIRM, TO BE RETAINED AS A CONSULTANT FOR PROFESSIONAL SERVICES ON AN AS-NEEDED BASIS, was read by Ms. Oliphant and considered by the Board.

Mr. Onorato advised that the current contract is due to expire and, based on the proposals received, staff is recommending that Desman Design Management be awarded the contract at a not-to-exceed price of \$75,000. He advised that the service involved will be performed on an as-needed basis, noting that we spent \$42,000 for this work in 2018 and year to date in 2019, we are at \$22,000.

Ms. Qureshi asked the current vendor of this service.

Mr. Onorato identified O&S Engineering as the current vendor.

Ms. Strassburger asked at what threshold does a contract for an on-call contractor be required to come to the Board.

Mr. Onorato advised that since we do not have an engineer on staff this would give us the availability to call an engineer immediately upon discovery of an issue. He said the engineer's role is to determine a course of action. He said, for example, if a major project requiring us to issue an RFP for repairs would be necessary, we would go to RFP for those repairs. He advised it also would be the engineer's responsibility to identify any safety issue resulting from its review. Mr. Onorato noted that, should the year's cost exceed the approved \$75,000 limit, the contract would be brought back to the Board.

Ms. Qureshi asked if Desman was an MBE business.

Mr. Onorato confirmed that it is an MBE business.

Mr. Cohen asked for clarification on the hourly rate, if it was calculated per person per hour. He noted that in the future it would be preferable to have the current vendor's hourly rate available so comparisons with successive providers would be available.

Mr. Holt stated that the hourly rates listed on the bid tab sheet were on average and depended on the type of engineer doing the evaluation and based on if they were called out.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Strassburger and seconded by Ms. Qureshi, Resolution No. 33 of 2019 was approved as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Barron, yes; Ms. Strassburger, yes; Mr. Cohen, yes.

RESOLUTION NO. 34 OF SEPTEMBER 2019, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO AWARD A CONTRACT TO SNOW AND ICE MANAGEMENT COMPANY OF PA, INC. FOR SNOW PLOWING AND/OR SNOW REMOVAL AT AUTHORITY-OPERATED GARAGES AND SURFACE LOTS, was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised the Board that there was only one bid submitted in response to this RFP for the removal of snow from the lots, sidewalks and garage rooves. He advised that the Authority did reach out to other vendors to find out why they chose not to bid and found that some did not have the adequate manpower or equipment to meet our requirements of clearing all 34 lots within 24 hours. Mr. Onorato advised that Snow and Ice Management is our current contractor and said that we spent just under \$95,000 for this service in 2018 and \$85,000 so far in 2019. He said that amount could increase depending on snowfall volume between now and the end of this year.

Mr. Barron asked if we felt like we did everything in our power to obtain more bids.

Mr. Onorato confirmed that we did our due diligence.

Ms. Strassburger added that while she doesn't like it when only one bid is received and our history shows that this is not the norm.

Ms. Qureshi asked that the expectation is that if we get a five or 10-inch snowfall everything will be cleared within 24 hours. She also noted that they do not come out unless the Authority calls them.

Mr. Onorato clarified that if we get a 10-inch snowfall it would cost more as a call out is based on three to five inches. He also noted that they bring in larger equipment such as front-end loaders at Second Avenue.

Mr. Cohen asked if Authority personnel cleared any lots themselves.

Mr. Speers responded that the only garage that is done in house is Shadyside. He said there is no snow-removal equipment at that facility because of its small location.

Ms. Oliphant asked when the current contract expires.

Mr. Holt responded that the current contract expires in October 2019.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Cohen and seconded by Ms. Barron, Resolution No. 34 of 2019 was approved as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Barron, yes; Ms. Strassburger, yes; Mr. Cohen, yes.

RESOLUTION NO. 35 OF SEPTEMBER 2019, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO AN AGREEMENT WITH MAHER DUESSEL FOR INDEPENDENT AUDIT SERVICES, was read by Ms. Strassburger and considered by the Board.

Mr. Onorato advised that our current contract with Maher Duessel has expired and we issued a joint RFP in conjunction with the City. He advised that a committee, formed of the City's Director of Finance, its Chief Accounting Officer and the Authority's Finance Director, recommended awarding a five-year contract to Maher Duessel in the amount of \$224,940. He advised that our previous contract with Maher Duessel was \$275,000. He advised that the URA and Housing Authority, former partners in the RFP issuance, decided to go forward independently.

Ms. Qureshi asked if an Authority decision to not join with the City would affect the audit costs of other participants in the joint RFP.

Mr. Onorato responded that he believes that we all got a better pricing by going in together.

Ms. Williams stated that we received a savings of approximately \$10,000 per month and said she believes that the pricing became very competitive after all of last year's bids were rejected.

Mr. Barron asked if it is a best practice for clients to switch auditors after a certain time period.

Ms. Qureshi asked how long Maher Duessel had been the Authority's auditors.

Ms. Williams stated they the firm has been retained since 2012 and said Deloitte and Touche performed the audit before that. She stated that Deloitte notified the Authority that it was a smaller client than they normally serviced.

Ms. Williams said that she weighted the Board's concerns heavily when going through the RFP process, such as if they were a CPA firm and would receive total points across the board because they were. She advised that her grading was consistent with all four vendors and said her grading came down to basically two criteria: cost and MBE/WBE participation. She noted that the other firms rated equally with the exception of one firm's submission of plans and procedures that were not as detailed as the others. She said the City also does its own grading in the MBE/WBE and the price categories but also came up with the same one-through-four order in scoring. She said that the outcome indicated that multiple people with different methodologies assigned the same firm in the number-one position. She stated that Maher Duessel is woman-owned, is outsourcing out the 25-percent requirement for MBE and has been using Cameron and Associates in its work for the Authority.

Ms. Oliphant asked if we had any idea why the URA and Housing Authority did not continue with the Authority and City in the RFP process.

Ms. Williams stated she was not aware of the reasons they elected to move forward on their own.

Ms. Qureshi asked if the Authority had any accounting work beyond general accounting, such as grant accounting.

Ms. Williams replied that one time we did have a grant that did required that approval but said we have not had any recently. She noted that Maher Duessel cooperated with her last year during the time that she was out of the office unexpectedly and didn't charge the Authority any additional fee. She said that some of the firms that submitted estimated hours for the work that definitely would not have been sufficient for the Authority assignment and said, if that was included, their price quotes would have been higher. She noted again that Maher Duessel stepped in a year ago without charge. Ms. Williams stated that the issue of GASB interchanging was discussed and said we were advised that if its minor work of that type is included in the hourly fee while major additions would increase billable costs.

Ms. Qureshi stated that this seems like the way to go but said if there are other accounting pieces that are discrete project and are not built in, she recommended getting a different firm for the audit.

Ms. Williams advised that all of the grants that the Authority received recently were under the financial threshold and did not require special auditing. She stated that we would include that consideration in the evaluation process going forward.

Mr. Barron asked if we could request that audit leadership be rotated to make sure that we are receiving fresh eyes and diversity from year to year. He stated that while Maher Duessel is a great firm that he has personally worked with in the past, he wants to make sure the Authority is proceeding properly.

Mr. Onorato responded that we can request that provision.

Mr. Cohen asked if any deficiencies were found in the last two audit cycles.

Mr. Onorato responded that last year's audit was unqualified with no management letter so were no issues identified.

Ms. Williams added that the year before that the Authority received a management letter on a few issues and stated that she relies on them to tell us when we are not doing things in accordance with current standards. She said especially when you are doing the same things over and over, it's possible to lose sight of something that is right in front of you. She stated she does not view the audit as an adversary process but as one of checks and balances.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Cohen and seconded by Ms. Barron, Resolution No. 35 of 2019 was approved as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Barron, yes; Ms. Strassburger, yes; Mr. Cohen, yes.

RESOLUTION NO. 36 OF SEPTEMBER 2019, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO AWARD A PURCHASE TO CDW GOVERNMENT FOR MOBLE HANDHELD TICKET WRITERS, was read by Mr. Barron and considered by the Board.

Mr. Onorato advised that we currently have 55 handheld units, all five years old and used daily by our enforcement officers. He said we are looking to replace those with units that we field-tested and have the capability to scan license plates. He advised that we anticipate the units to provide three years of service and said they will be purchased through the Co-Stars program.

Mr. Cohen asked if, given their cost of approximately \$1,500 per unit, if they are covered under any type of warranty.

Mr. Savino stated that the hardware is covered for the life of the product. He advised that the models being purchased are very sophisticated, military-grade units that will last much longer than normal mobile devices. He noted that the cost for each unit will be recouped in two days of enforcement activity.

Mr. Cohen asked if the units' cost was higher or lower than when we purchased them five years ago.

Mr. Savino responded that the cost of each unit remained the same, noting that they basically refresh existing hardware, but with a change in model numbers to a newer version.

Mr. Barron noted that with scanning capabilities, enforcement should be more efficient.

Mr. Wrona asked if the unit takes a photo or translates what it sees alpha numerically.

Mr. Savino advised it takes a photo its OCR technology, then transmits digitally and then checks the vehicles' parking status.

Ms. Oliphant asked what OCR was.

Mr. Barron replied OCR stands for Optical Character Recognition. He stated that he is aware that the Authority has a policy in place on how we store license plate data and wanted to make sure it applied to these units.

Mr. Savino responded that when a violation is actually documented, the photos are transmitted to Parking Court, otherwise the data is purged internally on a daily basis.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Cohen and seconded by Ms. Oliphant, Resolution No. 36 of 2019 was approved as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Barron, yes; Ms. Strassburger, yes; Mr. Cohen, yes.

OLD/NEW BUSINESS

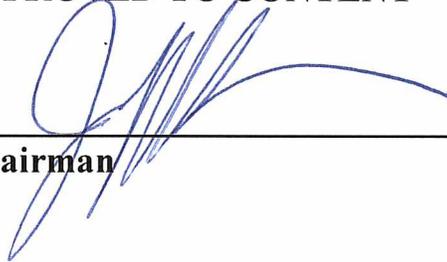
Mr. Cohen asked if there were any new or old business questions to discuss.

There were none.

The next Board meeting is scheduled for Thursday October 17, 2019 at 10:00 a.m.

The meeting was adjourned at 11:57 am with all Board Members in approval.

APPROVED TO CONTENT



Chairman

ACCEPTED FOR FILING IN THE AUTHORITY'S BOOK OF MINUTES



Approval