

**MINUTES OF THE REGULAR MEETING OF THE
PUBLIC PARKING AUTHORITY OF PITTSBURGH
THURSDAY, NOVEMBER 20, 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 10:07 a.m. on November 20, 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 and Cathy Qureshi. Aradhna Oliphant participated via phone. Present from staff were: David Onorato, Christopher Speers, Chris Holt, Gwendolyn Bolden, Jo-Ann Williams, Philip Savino, Janet Staab, Tracy Sowinski, Bill Conner, Kathryn Van Why, Deb Kerestes and Pat Konesky. Also present was Jason Wrona of Buchanan Ingersoll; Mark McCall of Tucker Johnson Smeltzer Insurance Group, Kinsey Casey of the City of Pittsburgh Mayor's Office and William Stewart of Strategic Communications.

MINUTES

Mr. Cohen asked for approval of the minutes from the September 26, 2019 meeting.

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

PUBLIC COMMENT

Mr. Cohen asked if there were any public comments.

There were none.

EXECUTIVE DIRECTOR'S REPORT

Mr. Onorato introduced Kinsey Casey the new Chief Operations Officer for the City of Pittsburgh and welcomed her to the meeting.

Mr. Onorato shared the latest video images of the Ninth and Penn demolition and advised that the demolition of the former Duff's Building has begun as well. He noted that any concrete remaining on site from the demolition of the garage will be crushed and used as filler on the Duff's Building footprint when razing of that structure is completed. He advised that a pre-application meeting with the City, in early December, will determine if the Authority needs a variance for the projects for the green space. He said the meeting's outcome could delay the project for a few months and significantly increase its costs as well.

Mr. Cohen stated that this prospect is unacceptable, that we cannot have the City causing a 90-day delay and, in turn, reduce our revenue contributions to the City.

Mr. Onorato advised that we have already had that conversation and are proceeding so that the situation does not occur.

Mr. Onorato advised that the Board that the International Parking and Mobility Institute held its October Leadership Conference in Pittsburgh, noting that it was a good experience for the Authority staff members who attended.

Mr. Onorato discussed the Finance Report, stating that through October revenue is down year to year, but up when compared to 2019's budget. He noted that some of the results are attributed to space losses at some facilities due to construction, notably at Ft. Duquesne, Mellon Square and Wood-Allies. He also noted that expenses are down year to year and from 2019 actual to budget.

Mr. Onorato discussed the Facilities Report, noting that these reports mirror the trends depicted in the Finance Report, namely the revenue reductions at Ft. Duquesne, Mellon Square and Wood-Allies. He noted that the reports also reflect the removal from service of the Ninth and Penn Garage.

Mr. Onorato discussed the Enforcement and Meter Report, noting that 2019 ticket issuance to date is up by approximately 275,000 to 280,000 and represents a significant increase from past years.

He advised that the City street-sweeping program will come to an end this month. He advised that while total meter revenue is up, there is a decrease in lot lease revenue resulting from the loss of spaces such as at Penn Circle N.W. He also noted that the overall revenue increase is due both to having more officers on patrol in the meter areas, and the coverage efficiency of the plate-reading vehicles in RPP locations.

Mr. Cohen stated that he is surprised that there is an increase in the number of tickets issued given the presence of the pay-by-phone app that makes it easier for a customer to avoid receipt of a ticket. He asked if the Board could be given documentation of pay-by-phone usage.

Mr. Onorato advised that this report is presented at the quarterly board meetings but said we would make sure that a current copy is distributed to the Board. He noted that the app is still accounting for approximately 50 percent of meter transactions.

Ms. Qureshi stated that she would be curious to see the 2017 statistics, noting that the 2018 to 2019 increase is approximately 10 percent. She said looking at a longer period would show a more accurate usage trend.

Mr. Onorato discussed the Parking Court Report, stating that, through October, revenue of \$9.3 million compared to \$9.8 million for all 12 months of 2018. He noted that 2019's results included an increase in violations involving booting.

Mr. Cohen asked, noting that it's early in the process, if the Authority had any idea of garage revenue during the first two weeks of November when new rates were in effect at most facilities.

Mr. Speers replied that with its reduced number of business days, November is historically a slow month. He said that the revenues typically go down slightly following rate hikes and then increase after a few months. He said that transaction comparisons over that timeframe would provide a more meaningful view of the increase's impact.

RESOLUTION NO. 37 OF NOVEMBER 2019, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO AMEND A CONTRACT WITH TIM HAAHS & ASSOCIATES, INC. FOR SCOPE CHANGES TO PROFESSIONAL DESIGN SERVICES FOR THE REDEVELOPMENT OF THE NINTH AND PENN GARAGE, was read by Mr. Cohen and considered by the Board.

Mr. Onorato advised the Board that an unforeseen condition required the contractor was doing borings to increase its digging depth from around 75 feet to 375 feet. He said the increase was necessary to determine the structural stability of the garage's foundation.

Ms. Qureshi asked what was on the site prior to the garage and if any prior use involved underground storage tanks and the like.

Mr. Holt responded that the site's previous occupants were a dry cleaner, a warehouse and an office complex.

Mr. Onorato stated that this change order reflects increase labor costs for Navarro and Wright, a Tim Haahs subcontractor, for remobilizing and having to dig deeper.

Ms. Qureshi asked at what stage we were in the contract and if we were trending high in change orders based on progress to date.

Mr. Onorato advise we are still in the design phase of the project.

Mr. Cohen stated that he is not happy with the amount total of the change orders thus far and said he feels that our partners in the project should just accept some of the changes that occur as routine and not bill for everyone.

Mr. Holt explained that this charge involves a combination of seven bores, adding 53 feet of depth for a cumulative total of 375 feet of unforeseen digging.

Mr. Cohen asked if there were any additional questions.

There were none.

Upon motion by Ms. Qureshi and seconded by Mr. Cohen, Resolution No. 37 of 2019 was approved as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Cohen, yes.

RESOLUTION NO. 38 OF NOVEMBER 2019, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO APPROVE A

CHANGE ORDER TO BAIANO CONSTRUCTION, INC. FOR MODIFIED CONCRETE SCOPE REPAIRS AT THE MON WHARF PARKING PLAZA, was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised that this change was initiated by the Authority and represents an increase in the scope of work after the initial work was done. He advised that we extended the assignment to include the driving lanes.

Ms. Qureshi asked for confirmation that the cost of the work has increased by 50 percent and that this is the last change order.

Mr. Cohen asked if this type of work was done previously at this location.

Mr. Speers replied that repairs to the main landing, at the bottom of the ramp, were done a few years ago, and said that holes in the area were so bad that exposed rebar caused damage to vehicles tires.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Mr. Cohen and seconded by Ms. Oliphant, Resolution No. 38 of 2019 was approved as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Cohen, yes.

RESOLUTION NO. 39 OF NOVEMBER 2019, "A RESOLUTION ADOPTING THE REGULARLY SCHEDULED PUBLIC PARKING AUTHORITY OF PITTSBURGH'S BOARD OF DIRECTORS' MEETING DATES FOR 2020, was read by Mr. Wrona and considered by the Board.

Mr. Onorato advised that the schedule for 2020 board meetings will remain unchanged and will continue to be held on the third Thursday of each month at 10:00 a.m.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Qureshi and seconded by Mr. Cohen, Resolution No. 39 of 2019 was approved as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Cohen, yes.

RESOLUTION NO. 40 OF NOVEMBER 2019, "A RESOLUTION AUTHORIZING FREE PARKING FOR TRANSIENT CUSTOMERS ON SMALL BUSINESS SATURDAY, NOVEMBER 30, 2019 AT ALL AUTHORITY-OWNED METERED LOTS AND ON-STREET METERS, was read by Mr. Cohen and considered by the Board.

Mr. Onorato stated that to promote our patronage to small businesses within the city, the Authority is proposing offering free parking at on-street meters and in our surface lots on Small Business Saturday, November 30, 2019. He noted that the payment suspension would also follow two free days of parking based on our holiday schedule and will be posted on the meters on those dates.

Ms. Qureshi asked if this will be publicized.

Mr. Onorato confirmed that we will be issuing a news release as well as advertising on our website.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Qureshi and seconded by Mr. Cohen, Resolution No. 40 of 2019 was approved as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Cohen, yes.

RESOLUTION NO. 41 OF NOVEMBER 2019, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH VARIOUS INSURANCE COMPANIES TO OBTAIN INSURANCE COVERAGES FOR THE PUBLIC PARKING AUTHORITY OF PITTSBURGH FOR A ONE-YEAR PERIOD BEGINNING JANUARY 2020 AND CONTINUING THROUGH DECEMBER 31, 2020, was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised that last year the Authority entered a three-year contract for coverage services, with two additional one-year options. He advised that the Authority's consultant, Mark McCall was present to discuss the subject and answer any questions the Board may have.

Mr. Onorato advised that the sheet attached to the resolution breaks down the coverage by categories and represents a four-percent increase from 2019, or approximately \$21,000.00. He noted that the total is still below the 2018-2019 cost of \$655,000.00 and advised that the total premium for 2020 will be \$536,543.00. He said that an 18-percent rise in the property insurance was the years highest increase.

Mr. Cohen asked how the insurance was impacted or changed by Ninth and Penn being taken off-line.

Mr. McCall stated that the 2019-2020 policy year \$189-million amount included Ninth and Penn Garage and the renewal total of \$183 million reflects the removal of that facility. He advised that the insurance marketplace regarding property is in chaos right now and said the 18-percent increase is in line with what is driving overall property marketplace from a rate standpoint. He noted that hurricane Dorian alone is influencing about \$40 million of loss and the

California wildfires are a factor as well. Mr. McCall stated that the aggregate increase of 4.3 percent is in line with market conditions. He noted the Board's expression of concern last year with multiple brokers and insurance carriers possibly amounting to a bait-and-switch tactic by providers. He said that was not the case then and said this year's increase is in line with expectations in the bond insurance market.

Mr. Cohen asked if the Authority had many claims in the past year.

Mr. Onorato responded that we did have a significant claim of \$250,00 resulting from water damage to the escalators at the First Avenue Garage.

Mr. McCall also stated that there were a few slip-and-fall claims. He said that because they amounted to nothing of significance, we were able to get favorable renewal terms.

Mr. Wrona asked if it was possible to increase insurance coverage for Ninth and Penn once construction begins.

Mr. McCall stated that as part of the general contractor's contract, they are responsible for the builder's risk scope during construction. He said that upon completion, it will be added to the Authority's insurance program.

Ms. Qureshi asked if Ninth and Penn is currently covered by the builder's risk and also asked how Mr. McCall is paid for his services.

Mr. Onorato stated that it is not currently covered by the builder's risk policy but will be once construction begins. He also stated that the Authority has a contract with Mr. McCall as our insurance broker.

Ms. Qureshi noted that the Public Officials insurance is at \$11 million and asked if she is correct in noting that our single biggest insurance cost is for Worker's Compensation.

Mr. McCall stated that this is correct.

Mr. Cohen asked if the state modification for Workmen's Compensation decreased, and if the Authority has had many Workmen's Compensation claims.

Mr. McCall responded that the state rates did decrease but the experience modification led to a minor adjustment for the Parking Authority. He said we have our share of claims.

Ms. Qureshi asked who on staff serves as the point person for insurance and said we should be sensitive to the time required to oversee this function.

Mr. Onorato advised that the responsibility was recently reassigned to the Finance Department and said we may look to bring it back to Human Resources and agreed that a large amount of attention is required to manage the process.

Mr. Cohen asked what type of items would be covered under the building liability coverage and asked if the only way we could lower the premium was to raise the deductible

Mr. McCall said the coverage includes fire, vandalism and water damage such as at First Avenue when the water break damaged the electrical supply to the escalators. He also noted that after that significant claim, the carrier did not extensively increase its premium for that coverage.

Ms. Qureshi stated that she understands that municipal governments have a cap on many coverages and asked if the Parking Authority has a similar type of protection limits.

Mr. McCall replied that we have governmental immunity, typically capped at \$500,000, but said there is also a caveat to that involving willful and wanted types of arrangement.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Qureshi and seconded by Mr. Cohen, Resolution No. 41 of 2019 was approved as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Cohen, yes.

RESOLUTION NO. 42 OF NOVEMBER 2019, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO APPROVE A CHANGE ORDER TO CARL WALKER CONSTRUCTION, INC. FOR THE REPAIR AND PREVENTIVE MAINTENANCE FOR THE FORT DUQUESNE AND SIXTH PARKING GARAGE, was read by Mr. Wrona and considered by the Board.

Mr. Onorato advised that this is part of the project that was completed last year when a membrane was placed on the roof of the garage. He advised that the membrane failed and, under warranty, we had to rip out the membrane in order to replace it. He reported that once the membrane was removed we noticed that some additional sections of slab and rebar needed repair and said we wanted to get that done before we reapplied the membrane.

Ms. Cohen asked what the \$611,000 change order covered.

Mr. Holt replied that it was for exterior façade replacement, noting that when the original façade was removed the panels were found to be deteriorating and needed to be replaced before replacing the original façade panels.

Ms. Qureshi stated that she is aware that some conditions are unforeseen and said her comment is with an understanding that most contractors realize that there will be the potential for additional work that increases the overall contract amount. She added that it would be interesting to see the original bids for this project.

Mr. Onorato stated that, with this particular contract, the bidders were pricing something that completely changed in mid-stream as our intentions were to replace the façade with a new design but the scope changed when it was determined that the original façade would be returned to the

structure. He said that decision, together with the support brackets and pins being deteriorated, the project cost increased accordingly.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Qureshi and seconded by Mr. Cohen, Resolution No. 42 of 2019 was approved as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Cohen, yes.

RESOLUTION NO. 43 OF NOVEMBER 2019, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO APPROVE A CHANGE ORDER TO ALLEGHENY CITY ELECTRIC, INC. FOR LED LIGHTING TECHNOLOGY UPGRADES AT THE FT. DUQUESNE & SIXTH STREET PARKING GARAGE, A COMPONENT OF THE AUTHORITY-WIDE LIGHTING UPGRADE PROJECT, was read by Mr. Cohen and considered by the Board.

Mr. Onorato advised that this is part of the overall garage and façade lighting upgrade and said that, at Ft. Duquesne and Sixth, we also planned for improvements for EV charging stations. He advised that the work was completed internally but once Allegheny City Electric tried to connect to the vault located under the sidewalk outside, they were unable to shut off the electrical power. He said that condition created an unsafe working situation and led them to contact Duquesne Light who refused to shut the power off because the vaults were antiquated and represented an unsafe condition for their teams as well. Mr. Onorato said the firm mandated that the vaults be replaced and upgraded, advising that two existing vaults over 50 years old will be replaced with a new one.

Ms. Qureshi asked the breakdown of the change order number.

Mr. Holt responded that change order number included the JCC lot lighting as well as conduit condition issues at Shadyside garage. He stated that this project is wrapped into the overall lighting upgrades for all of the facilities.

Mr. Cohen asked if Duquesne Light was aware of the condition of the vault.

Mr. Onorato stated that he doesn't think they would have been aware of this condition as the vaults are subsurface and there were no issues, but when they were asked to turn off the power for Allegheny City Electric to reconnect the new wiring it was determined that a correction was needed. He stated that this change order is specific to Ft. Duquesne and Sixth, but that it is part of the overall lighting upgrade project. He stated that this work will include a 48-hour shutdown of the entire garage and said we are anticipating having the work done by the end of January.

Ms. Qureshi asked when the entire project is projected to be completed.

Mr. Cohen asked also how far along in the project we are.

Mr. Onorato stated that the lighting upgrades are completely in place and said we are currently training personnel on how to use the new equipment.

Mr. Cohen asked if the Authority knew the amount of electrical costs saved since this upgrade was completed.

Mr. Onorato advised that we do track the wattage usage and the associated costs and will get that information to the Board.

Mr. Cohen asked how long we projected for the cost of this upgrade to pay for itself.

Mr. Onorato responded that we anticipated it to be seven years, but said he believes that it will occur sooner than that as we are able to control the lighting requirements more effectively than in the past.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Qureshi and seconded by Mr. Cohen, Resolution No. 43 of 2019 was approved as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Cohen, yes.

RESOLUTION NO. 44 OF NOVEMBER 2019, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO APPROVE A CHANGE ORDER TO ASCC, INC. FOR THE UNIFIED SECURITY CAMERA SYSTEM, was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised that this change order was initiated by the Authority as we decided to add three additional cameras to cover the entrance and exit areas of the main office for safety and one additional camera for the First Avenue garage.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Qureshi and seconded by Mr. Cohen, Resolution No. 44 of 2019 was approved as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Cohen, yes.

RESOLUTION NO. 45 OF NOVEMBER 2019, "A RESOLUTION AUTHORIZING THE GENERAL FUND, TRUSTEE REVENUE FUND AND CAPITAL ADDITIONS BUDGETS FOR FISCAL YEAR 2020 WHICH BEGINS ON JANUARY 1, 2020 AND ENDS ON DECEMBER 31, 2020, was read by Mr. Cohen and considered by the Board.

Mr. Onorato stated that Authority staff met with individual Board members to review the budget in detail, noting that the proposed budget has operating revenue of \$57.5 million with garage receipts making up 35.2, or 61 percent, of the revenues while gross meter revenues are \$20.5 million, or 35 percent of the total. He noted that those two categories alone represent just over 97 percent of our operating revenues. He advised that total expenses for the 2020 budget are \$32.9 million with the top line items being parking tax, payroll and benefits, trustee bank fees and securities, multi-space meter maintenance and utilities. He advised that our 2020 payment to the City is estimated at \$29.4 million. He advised that the capital budget of \$8.5 million, excludes Ninth and Penn but does include multi-space meter upgrades, garage revenue control upgrade at four garages, garage HVAC upgrades at three garages, and garage structural repairs. He said those projects account for approximately 75 percent of the \$8.5 million budget. Mr. Onorato stated that this budget also includes the 15-percent retainage of restricted funds of the operating expenses.

Ms. Qureshi stated that she and her colleague Mr. Barron met with Mr. Onorato and Ms. Williams to review the budget in detail and stated that she is very pleased with the budget process and the work the Authority is doing. She noted that along with individual questions, they asked if there was anything out of the ordinary and found there really wasn't.

Mr. Cohen asked if the Authority was confident in the capital improvement numbers and if there was enough money in the budget to complete what may be needed.

Mr. Onorato replied that we are comfortable with the planning, which this year includes vehicle, elevator and stair replacements. He said we also include any areas that are identified in the yearly annual inspection report that need immediate attention.

Mr. Speers added that the four oldest garages in the system have been addressed with significant upgrades and repairs in the last few years and, with Ninth and Penn being replaced entirely, those were the facilities that required the costliest repairs in the past. He advised that most of the remaining garages in the system are newer in comparison and should not require significant repairs.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Qureshi and seconded by Mr. Cohen, Resolution No. 45 of 2019 was approved as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Cohen, yes.

RESOLUTION NO. 46 OF NOVEMBER 2019, "A RESOLUTION AUTHORIZING THE PITTSBURGH PARKING COURT BUDGET FOR FISCAL YEAR 2020 WHICH BEGINS ON JANUARY 1, 2020 AND ENDS ON DECEMBER 31, 2020, was read by Mr. Cohen and considered by the Board.

Mr. Onorato advised that the budget for Parking Court for 2020 would be \$10.7 million with expenses of \$2.8 million and the projected share for the City at \$7.8 million. He said the budget total is a significant upgrade from 2019 and its \$9.5 million in revenues.

Mr. Onorato advised that the operating revenues of the Parking Court Budget and the General Fund, Trustee Revenue Fund and Capital Additions Budget is \$68.2 million.

Mr. Cohen stated that he was surprised that we would see this much revenue with the removal of the Ninth and Penn facility from the budget.

Ms. Qureshi noted that millions of dollars, in increments as low as a quarter, pass through the Authority and she stated that it is really a tribute to the staff that they have it managed as well as it is.

Mr. Cohen noted that it is also a reflection on the current Board and stated he feels that the Authority doesn't get the credit it deserves. He also said he agreed with Ms. Qureshi's comment.

Mr. Onorato responded that the support of the Board is very much appreciated.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Qureshi and seconded by Mr. Cohen, Resolution No. 46 of 2019 was approved as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Cohen, yes.

OLD/NEW BUSINESS

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

Mr. Onorato extended an invitation to the Board to the Authority's holiday luncheon and wished all a happy holiday.

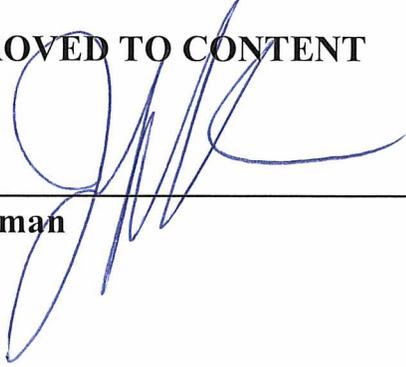
Mr. Cohen asked if there was any additional new or old business to discuss.

There was none.

The next Board meeting is scheduled for Thursday December 19, 2019 at 10:00 a.m.

The meeting was adjourned at 11:05 am with all Board Members in approval.

APPROVED TO CONTENT



Chairman

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



Approval