

**MINUTES OF THE REGULAR MEETING OF THE  
PUBLIC PARKING AUTHORITY OF PITTSBURGH  
FRIDAY, JUNE 4, 2010**

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 June 4, 2010 at 2:10 p.m., 232 Boulevard of the Allies, Pittsburgh, PA 15222-1616. The following Board members were present at the start of the meeting: Michael Jasper, Linda Judson, Christopher D'Addario and Scott Kunka. Natalia Rudiak arrived at 2:12 p.m. Present from staff were: David Onorato, Anthony Boule, Jo-Ann Williams, Christopher Speers, Chris Holt and Patricia Konesky. Katie Fallon of the Pittsburgh Post Gazette, William Stewart of Strategic Communications, Mark Bibro of East End Co-Op Ministries, Fred Miller and Chuck Walthur of Eastminister Presbyterian Church, Stefanie Danes of Perkins Eastman and Thomas Tucker Sciulli of the City of Pittsburgh Controllers office were also present at the start of the meeting.

Mr. Onorato advised that the Parking Authority's legal counsel could not be present at today's meeting but noted they are available by phone if needed.

Mr. Kunka advised that today's meeting is a reschedule of the cancelled May 2010 Board Meeting and said the June 17<sup>th</sup>, 2010 Board Meeting will take place as scheduled.

## **MINUTES**

Mr. Kunka asked for comments or questions. There were none.

Mr. Kunka asked for approval of the minutes from the regular meeting held on April 18, 2010.

Upon motion by Ms. Judson and seconded by Mr. D'Addario the minutes were approved as follows: Mr. D'Addario, yes; Ms. Judson, yes; Mr. Jasper, yes; Mr. Kunka, yes.

## **PUBLIC COMMENT**

Mr. Kunka asked for public comments.

Mr. Onorato introduced Ms. Danes and Mr. Bribro of the East End Cooperative Ministries and advised that they have interest in the first two resolutions being presented at today's meeting.

Ms. Danes addressed the Board and updated them on the mission of the organization and the services it supplies to the local community. She presented graphics demonstrating how the buildings will be arranged to accommodate their many proposed uses. She said the location

is behind the Eastminister Church and currently contains various types of parking lots. Ms. Danes reported that the two-story building is designed with a courtyard in the center to accommodate a variety of programs, including a shelter, education facility, administration offices and an activity room to be used for youth programs. She said that East End Cooperative Ministries also provides meals on-site and throughout the community and said the design includes a new kitchen and greenhouse for growing fresh organic vegetables. Ms. Danes said that in a sense the structure is four buildings in one, designed to provide everyday community use during the week, weekend greenhouse and gardening classes for the community, youth activities and after school and summer programs. She noted that parking for the facility is designed to provide entry from Highland Avenue and will be used for both visitor and staff parking.

Mr. Kunka asked Mr. Onorato to give a brief explanation of the process that brought the project to the resolution the Board would be considering today.

Mr. Onorato advised that the meeting's first two resolutions will update the Board on the progress to date.

## **RESOLUTIONS**

**RESOLUTION NO. 20 OF JUNE 2010, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OF THE PUBLIC PARKING AUTHORITY OF PITTSBURGH TO NEGOTIATE AND EXECUTE A SECOND AMENDMENT TO CONTRACT FOR THE PURCHASE AND SALE OF REAL PROPERTY TO EAST END COOPERATIVE MINISTRIES,** was read by Mr. Jasper and considered by the Board.

Mr. Onorato advised that this project has been considered for several years, leading to a 2008 agreement that was amended first in 2009 and subsequently thereafter as changes occurred in the design and scope of work. He said the first agreement was for the sale of the Station Collins lot to East End Cooperative Ministries to house the entire development and said the original design permitted no parking on the site. He said design changes enabled on-site parking to become available.

Mr. Onorato stated that the Board was being asked to consider two resolutions which divide the original property into two parcels.

Mr. Kunka asked Mr. Onorato to present both resolutions at this time for discussion and instructed Mr. Jasper to read and introduce Resolution No. 21.

**RESOLUTION NO. 21 OF JUNE 2010, "A RESOLUTION AUTHORIZING**

**THE EXECUTIVE DIRECTOR OF THE PARKING AUTHORITY OF PITTSBURGH TO NEGOTIATE AND EXECUTE AN AGREEMENT FOR THE PURCHASE AND SALE OF REAL PROPERTY TO EASTMINSTER PRESBYTERIAN CHURCH** was read by Mr. Jasper and considered by the Board.

Mr. Onorato explained that the Station Collins lot consists of two parcels known as Lot 3 and 4 and said the original agreement was to sell both lots for a total price of \$300,104.00. He said that with the division of the lots, East End Cooperative Ministries would purchase Lot No. 3 for \$189,520.00 and Lot No. 4 would be sold to Eastminister Presbyterian Church for \$100,584.00, both at approximately \$23.00 per square foot. Mr. Onorato reported that the sales to the two separate entities equal the original price of selling the lots together.

Mr. Onorato advised that Eastminister Church will have free parking available to the public on a first-come, first-served basis and said if they decide later to charge a fee for parking, the price will be within the Authority's rate structure for metered parking in the area. He noted that in either case parking will be available to the public and not restricted to private use.

Mr. Jasper asked for clarification as to which lot would be available for parking.

Mr. Onorato advised that it would be in Lot No. 4, which is being requested to be sold to Eastminister Presbyterian Church. He said the church has committed to the amendment that the site would accommodate public parking at all times.

Mr. Kunka asked that if Eastminister Church charged for parking, if it would be subject to the parking tax.

Mr. Onorato confirmed that it would.

Mr. Onorato also noted that in both agreements the Authority's fees are 100-percent reimbursable. He stated that the Authority believes that this is a good transaction for the community and noted that City Council also approved the project. He advised that the anticipated closing for both transactions is the end of this fiscal year.

Mr. Jasper inquired about the right-of-way and if it would impact parking.

Mr. Onorato advised that the City would be closing off the street to make a greenspace so it would not impact parking.

Mr. Kunka asked if there were any questions. There were none.

Upon motion by Ms. Judson and seconded by Mr. Jasper, Resolution No. 20 of 2010 was approved as follows: Ms. Rudiak, yes; Mr. D'Addario, yes; Ms. Judson, yes; Mr. Jasper, yes; Mr. Kunka, yes.

Upon motion by Mr. D'Addario and seconded by Ms. Judson, Resolution No. 21 of 2010 was approved as follows: Ms. Rudiak, yes; Mr. D'Addario, yes; Ms. Judson, yes; Mr. Jasper, yes; Mr. Kunka, yes.

**RESOLUTION NO. 22 OF JUNE 2010, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO NEGOTIATE AND ENTER INTO, ON BEHALF OF THE PUBLIC PARKING AUTHORITY OF PITTSBURGH, A LEASE WITH AAA EAST CENTRAL (AAA), was read by Mr. Jasper and considered by the Board.**

Mr. Onorato advised that the Authority has several locations which have commercial tenant spaces and this one is located in the Mellon Square Garage. He advised that AAA is a current tenant whose lease expires June 30, 2010 and said the renewal lease is for a one-year period with two one-year options at the same terms and conditions but with a slight increase in price. He said the current price is \$88,034 per year.

Mr. Jasper asked for clarification on the rent increase.

Mr. Onorato advised that their rent would remain at \$88,034 the first year of the new contract, but if the second or third year option was exercised the rent would increase to \$90,000 per year.

Mr. Jasper asked if the Authority considered raising any of its commercial rental rates.

Mr. Onorato advised that it is a very difficult market to fill tenant commercial spaces with one example being the Grant Street Transportation Center which has remained unoccupied for two years. He noted that the time it takes to market a space, combined with the build-out cost and time involved, it make more sense to renew the contracts of existing tenants.

He noted that with AAA being a national firm and a good tenant we are pleased that they want to renew their contract.

Mr. Kunka asked if all of the commercial spaces at this Mellon Square Garage location were rented.

Mr. Onorato advised that there are four spaces and confirmed that all are rented.

Mr. Kunka asked if all of the Authority commercial spaces are occupied.

Mr. Onorato advised that all spaces are rented with the exception of the commercial space at Grant Street Transportation Center.

Mr. Kunka asked if we currently have a realtor to market this space.

Mr. Onorato advised that Langholz, Wilson and Ellis currently market the Grant Street

Transportation Center commercial space for the Authority. He advised that we do have an interested party inquiring about the space but wasn't sure if the move-in timetable the client requires is feasible.

Mr. Kunka asked if there were any questions. There were none.

Upon motion by Mr. D'Addario and seconded by Mr. Jasper, Resolution No. 22 of 2010 was approved as follows: Ms. Rudiak, yes; Mr. D'Addario, yes; Ms. Judson, yes; Mr. Jasper, yes; Mr. Kunka, yes.

**RESOLUTION NO. 23 OF JUNE 2010, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OF THE PARKING AUTHORITY OF PITTSBURGH TO SOLICIT BIDS FOR A PHASE 1 ENVIRONMENTAL SITE ASSESSMENT OF 12 OF THE AUTHORITY GARAGES THAT ARE PART OF THE MONETIZATION OF THE PITTSBURGH PARKING AUTHORITY'S PARKING SYSTEM AND THEREAFTER AWARD A CONTRACT TO THE LOWEST RESPONSIBLE BIDDER IN THE AMOUNT OF NOT-TO-EXCEED \$90,000.00,** was read by Mr. Jasper and considered by the Board.

Mr. Onorato advised that during the monetization process the qualified bidders requested a Phase 1 environmental study which they will tie directly to the bids they will submit. He said that at this time it was decided to go ahead with the study for the garages and Second Avenue lot only but not the metered lots. Mr. Onorato noted that due to the time sensitivity of the project, we are asking at this time for authorization to solicit bids and to award the contract at a not-to-exceed amount of \$90,000.00. He said that the Board will be updated at next month's meeting on the identity of the firm receiving the contract.

Mr. Kunka added that it is the opinion of the Authority's consultants in the system monetization process that this study could have a very positive impact on the valuations submitted during the bidding process.

Mr. Jasper asked if the funds for this study would be paid from the PILOT payment to the City.

Mr. Onorato confirmed that the costs would be credited against the PILOT payment and said that, upon a successful closing of the monetization transaction, all funds expended would be reimbursed to the Authority.

Mr. Jasper, noting such a tight timeframe and with the contract to be awarded to the lowest bidder, asked the City's expectations and caliber of the selected firm.

Mr. Onorato advised that the expectations are that the contract will be awarded to a reputable

firm, most likely local and familiar with the sites. He said the expected scope of work would include a non-invasive site walk thru and review of the structures, as well as a review of federal, local and state records.

Mr. D'Addario inquired if these types of assessments were done prior to the development of the property before the garages were built.

Mr. Onorato advised that he believed that they would have been, but since some of the facilities are over 50 years old, there is not a record of that activity. He did state that the Grant Street Transportation Center did have site evaluations completed and we could pull those reports and use them to reduce the scope of work for that particular structure. He advised that we will research if any other facilities had these site inspections completed. Mr. Onorato advised that there is an industry standard for Phase I inspection work and said the Authority would include a copy of the scope of work with the RFP.

Ms. Rudiak asked for the completion timeline for this inspection.

Mr. Onorato advised that the completion date will be 30 days from the date the contract is awarded.

Ms. Rudiak asked if this study timeline would have any effect on the timeline of the bidding process.

Mr. Onorato stated there should be no effect on the timeline of the project.

Ms. Rudiak inquired if the report would be available to all prospective concessionaires.

Mr. Onorato advised that the report would be available to all bidders.

Mr. Kunka mentioned that there are presentations currently being conducted with potential concessionaires and said that he asked the Executive Director to schedule private presentations for Board Members prior to the next Board Meeting. He said there will be a public update at the next Board Meeting.

Ms. Rudiak asked for clarification on the purpose of these site evaluations.

Mr. Onorato stated that there will be physical site evaluations adding that city, state and local maps and records will be checked to determine if the City should proceed with a Phase 2.

Ms. Rudiak asked what Phase 2 consisted of.

Mr. Onorato advised that Phase 2 would be more invasive and would involve core drilling and environmental sampling.

Ms. Rudiak asked that if Phase 2 needed to be implemented, how the timeline would be affected.

Mr. Onorato advised that based on past experiences with Phase 2 studies should one be required, he did not see it delaying the process.

Ms. Rudiak asked if the intention is to have this study completed in July.

Mr. Onorato advised that if given approval, we intend to issue the RFP next week with a fast-track completion date of mid-July so as not to jeopardize the entire projects timeline.

Ms. Rudiak questioned if this study would be completed before the actual system monetization bids were received.

Mr. Onorato advised that the bids from potential concessionaires are due during the end of July, and beginning of August.

Mr. Kunka stated that all concessionaires will have the opportunity to review the Phase 1 study prior to submitting their bids.

Mr. Kunka asked if there were any questions. There were none.

Upon motion by Mr. D'Addario and seconded by Mr. Jasper, Resolution No. 23 of 2010 was approved as follows: Ms. Rudiak, yes; Mr. D'Addario, yes; Ms. Judson, yes; Mr. Jasper, yes; Mr. Kunka, yes.

**RESOLUTION NO. 24 OF JUNE 2010, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO INCREASE THE FINE OF EXPIRED METERS AT ALL AUTHORITY-OWNED SURFACE LOTS,** was read by Mr. Jasper and considered by the Board.

Mr. Onorato advised that City Council recently passed legislation to increase fine rates for street meter violations. He noted that the Authority was in favor of this and worked with Council on this project. He said that at this time, we are also recommending that fines for violations in our surface lots be increased. Mr. Onorato said the fine is currently \$11.00 and we are recommending that the fines be increased to \$20.00.

Mr. Kunka asked if there were any questions. There were none.

Upon motion by Ms. Judson and seconded by Mr. D'Addario, Resolution No. 24 of 2010 was approved as follows: Ms. Rudiak, yes; Mr. D'Addario, yes; Ms. Judson, yes; Mr. Jasper, yes; Mr. Kunka, yes.

## **EXECUTIVE DIRECTOR'S REPORT**

Mr. Onorato summarized the monetization process by stating that meetings are currently being held with potential bidders and, at the end of those interviews, update meetings will be scheduled with Board Members.

Mr. Onorato distributed a thank-you letter from the Autism Speak Organization containing photos of the Grant Street Transportation Center at the time the sail was lit in total blue in a public show of support for their mission.

Mr. Onorato advised that City Council is working on a separate parking study on the garage facilities to support the monetization process.

Mr. Onorato advised that at last month's meeting the Board authorized the Authority to solicit bids for two new vehicles for the enforcement division. He advised that the vehicles were actually purchased at a cost of \$28,034.00. Mr. Onorato stated that bids were received and that he is asking the Board to formally approve the purchase transaction.

Mr. Kunka stated that the City will also be purchasing two new enforcement vehicles to be utilized in the street cleaning field of enforcement.

Mr. Onorato advised that the Authority has been working closely with the City and County in an effort to combine electrical rates in order to receive a better rate. He advised that we signed a 35-month contract that will save the Authority approximately \$68,000 per year. He said a breakdown by facility is available if Board Members are interested in seeing the report.

Mr. Jasper asked who the supplier of electricity would be.

Mr. Holt responded that Duquesne Light Energy would be the supplier, replacing Duquesne Light Company. He also noted that other government entities joined the Authority in the efforts to reduce energy costs, including Housing Authority, City of Pittsburgh, neighboring boroughs and the Water and Sewer Authority. He stated that there was a bidding process established to determine the lowest cost based on combined kilowatt usage

Mr. Kunka inquired if this rate was obtained through an on-line auction.

Mr. Holt confirmed that it was.

Mr. Onorato added that the City ran the process but that all of the separate entities combined forces to achieve a lower rate based on usage.

Mr. Holt stated that Jim Sloss of the City of Pittsburgh spearheaded the project and took the lead to get all of the agencies and borough's together to prepare for the auction process.



Mr. Jasper asked the names of the firms other than Duquesne Light that participated in the auction.

Mr. Holt replied that First Energy Solutions and Direct Energy also participated.

Mr. Onorato advised that the monthly Board reports are attached should Board members have any questions.

Mr. Kunka asked if there were any questions and/or comments. There were none.

Mr. Kunka reminded all members that the next Board meeting is scheduled in two weeks.

### **OLD/NEW BUSINESS**

Mr. Kunka asked if there was any old or new business. There was none.

The next Board meeting is scheduled for Thursday June 17, 2010 at 10:00 a.m.

Upon motion by Ms. Rudiak and seconded by Mr. D'Addario the meeting was adjourned at 2:39 p.m.

### **APPROVED TO CONTENT**

  
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**Chairman**

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

  
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**Approval**