

**MINUTES OF THE REGULAR MEETING OF THE
PUBLIC PARKING AUTHORITY OF PITTSBURGH
THURSDAY, APRIL 15, 2021**

Having been duly advertised in accordance with the Sunshine Act No. 84 of 1986, a virtual meeting of the Public Parking Authority of Pittsburgh was held at 10:00 a.m. on April 15, 2021. The following Board members were present at the start of the meeting: Matt Barron, Karina Rick, Bobby Wilson and Liz Fishback. Mr. Cohen joined the meeting at 10:17 a.m. Present from staff were David Onorato, Mark DiNatale, Jo-Ann Williams, Chris Holt, David Perry, Scott McNaugher, Bill Conner, Tracy Sowinski, Bob Wilson and Pat Konesky. Also present were Jason Wrona of Buchanan, Ingersoll & Rooney; Bill Stewart of Strategic Communications; Amy Lewis of Maher Duessel; Kinsey Casey of the City of Pittsburgh. Tom Davidson of the Tribune-review; Elliott O'Brien, Allison Keating and a person self-identified as Steve representing themselves.

MINUTES

Mr. Barron asked for approval of the minutes from the March 18, 2021 meeting.

Upon motion by Mr. Wilson and seconded by Mr. Barron, the minutes were approved as follows: Mr. Barron, yes; Mr. Wilson, yes; Ms. Ricks, yes; Ms. Fishback, yes.

PUBLIC COMMENT

Mr. Barron asked if there were any public comments.

There were none.

EXECUTIVE DIRECTOR'S REPORT

Mr. Onorato advised the Board that an agreement has been reached with a valet company to house the vehicles of patrons of the new Industrialist Hotel at our Third Avenue Garage.

Mr. Onorato advised that the Authority is working with a neighborhood group for its use of the Sheridan/Harvard surface lot for Sunday parking.

Mr. Onorato advised that the Authority is working with Northside Leadership Conference regarding the use of the East Ohio Street Lot. He stated that the Conference took the initiative to update and maintain the walkway serving the site.

Mr. Onorato advised that the Authority is working with the URA regarding commercial space in our Mellon Square Garage and said that Allegheny Health Network has shown interest in renting the space for social programming. He advised that we are currently engaged in finalizing our agreement with the URA, which in turn, will oversee the agreement with Allegheny Health Network.

Mr. Onorato advised that the Authority is working with the City's Department of Mobility and Infrastructure on the Automotus Vehicle Energy Grant, which will help improve the efficiency of curbside parking.

He stated that the Authority will commit to enforcing loading zone restriction and track the hours and usage of those locations. He advised that we will be coordinating our function with DOMI and said our main role will be the enforcement of parking in those areas.

Ms. Ricks advised that there has been a significant increase in curbside pick-up and drop-off activity as a result of the pandemic but said that pre-pandemic volume was already trending in that direction. She said for more efficient use of the curbside spaces, DOMI is partnering with Automotus in a pilot program to increase the availability of loading zone spaces for different curbside users. She stated that while DOMI does not have authority over enforcement practices, it can set the management guidelines and policies for the program and will rely on the Parking Authority for its enforcement component. She said she is pleased with the benefits that will result from partnering in this pilot program.

Mr. Onorato followed up by stating that this pilot will be confined to a few specific neighborhoods or areas and will not be employed city-wide.

Mr. Onorato advised that the second option for the Authority's plumbing contract with Krupp-Whitney Plumbing has been exercised, noting that this is the last option provided for in the contract.

Mr. Wilson stated that he had reached out to the Authority regarding the plumbing contract to see if it could be put out to bid. Stating that he did not receive a response, he said he is now asking why an RFP was not issued for the plumbing services.

Mr. Onorato responded that this contract was bid a few years ago as a three-year contract with two one-year options. He advised that the Authority has been pleased with the company's service and performance and, in the past, it has been our practice to exercise available extensions when we were satisfied with contractor performance. He also advised that Mr. Wilson's question was also posed by the Mayor's office and said that we had answered all of those questions pertaining to the agreement and its option component. Mr. Onorato stated that he was unaware of the Councilman's questions and apologized that there was no response. He stated that he did advise the Mayor's office that even though the current contractor is a non-union

company, it is paying the prevailing wage that is a requirement of all PPA contracts. He said we advised the Mayor' staff that we were going to issue the remaining one-year option and were granted its approval of the issuance for the option year. Mr. Onorato advised that this firm won the contract through our RFP bidding process and had done so for the last two RFP cycles, meaning that it has been the Authority's plumbing provider for approximately 10 or 12 years.

Mr. Wilson asked if there was other criteria, besides the prevailing wage, that they were required to meet in order to win the bid. He asked why we would not put the contract out to bid again.

Mr. Onorato responded that the Authority was pleased with the firm's performance and therefore was willing to exercise the remaining option. He advised that this being the final option year, the contract will go out to bid at its close and the successor agreement will be presented to the Board via meeting resolution.

Mr. Onorato advised that we were recently notified by AT&T that, as of February 2022, it will no longer support the 3G platform, noting that all of our pay-by-plate meters currently employ 3G modems. He noted that we are currently establishing a plan to rectify the situation and will share it with the Board at a later date.

Mr. Onorato advised that the Authority is working with Wise-Sight, a foreign camera-based entity, on a pilot of that firm's its technology in our Observatory Hill, 18th & Carson and 20th & Carson surface lots for approximately three to six months to determine if usage and enforcement at those locations can be performed entirely off-site. He advised that cameras will be installed in the lots and unlike some proposals considered in the past, internet access was not required because Wise-Sight meters can run on the cellular service our lots already provide. He advised that the Authority will supply the power needed and said each of the lots involved has the capacity to do so.

Mr. Onorato advised that there was a data breach of the ParkMobile parking app and that some customers' personal information, including email, license plate and home addresses, was compromised but said that there was no breach of credit-card data. He advised that this was a nationwide breach and not specific to Pittsburgh and said that the Authority issued a press release yesterday reporting the incident and advised customers to change their account passwords. He advised that ParkMobile would contact customers directly through the app to alert its customers to the event and to advise them on the steps recommended going forward.

Ms. Ricks asked if ParkMobile had an explanation as to why there was a delay in reporting the data breach and if they would be communicating directly with the users.

Mr. Onorato advised that we will be presenting ParkMobile a list of questions today on the matter and said it would be reaching out directly to their users as we do not have access to their customer information. He said our news release included the ParkMobile contact information as a source for further details. He also advised that this was not a breach isolated to Pittsburgh but one that affected over 20 million accounts nationwide.

Mr. Barron asked if ParkMobile provided any details on the depth of its investigation to ensure there are no vulnerabilities in their system. He said we need assurance that this matter is going to be addressed fully.

Mr. Onorato responded that ParkMobile is one of the largest phone vendors in the country and said they completed an investigation through a third party.

Mr. Wrona added that Mr. Onorato had advised him of the breach immediately upon learning of it and stated that two of his colleagues from Buchanan Ingersoll's robust cyber security team worked with Mr. Onorato throughout the day on this matter to help frame some of the questions directed to ParkMobile. He also stated that the Authority's cyber security insurance consultant was also contacted as a precautionary measure.

Ms. Fishback asked if there is a scenario in which we would cancel the contract with this service provider.

Mr. Onorato responded that we always have the ability to cancel a service contract but said we would do that only for cause or malicious failure on that end. He stated that right now he feels comfortable with ParkMobile's response to the issue and doesn't believe there is reason enough to terminate the contract at his point. He noted that while security is in place across today's cyberworld, events show that it can be breached, adding that ParkMobile's system did work to the degree that the breach did not include credit card numbers, which tend to have a higher level of security of encryption.

Ms. Fishback asked if ParkMobile gave any timeline on when they would finalize any investigation.

Mr. Onorato responded that he believes that their investigation is completed at this time and said that we are reaching out to them with additional questions on its findings.

Ms. Ricks stated that as a ParkMobile user herself as well as a user of many other base payment platforms, she feels that she and many other members of the general public are not terribly surprised when these types of breaches occur because they are so common. She expressed her concern, however, as to why ParkMobile delayed in notifying customers. She stated that it is understandable that they need to do an internal evaluation to understand the nature and severity of the breach but said it would seem that advising users to change their passwords sooner than later could be more the norm. She stated that she would like an answer as to why they waited an extended period of time before communicating that recommendation.

Mr. Wrona stated that he would be happy to pose that question to ParkMobile but said that he would not like to speculate on its reasoning. He stated that we are preparing questions for ParkMobile and will be sure to add that one to our list.

Mr. Onorato discussed the Finance Reports, which highlights the first quarter of 2021 and its indications of revenues trending upwards from the pandemic low. He noted that the average

monthly revenue prior to the pandemic was approximately \$4.5 million and said we closed 2021's first quarter with March's total of \$2.4 million, up from \$1.9 million in February, but still well below March 2019. He noted that meter revenues are coming back a little stronger than garage revenues, which are based more on factors outside of our control, notably business decisions resulting in employees working from home.

Mr. Onorato discussed the Enforcement and Meter Services Report, which shows that monthly ticket issuance increased approximately 2000 from last year, a trend he said is moving in the right direction but very slowly.

Mr. Onorato discussed the Meter Revenue Report, noting that street collections have increased from 2020 while lot revenues have decreased. He said that decline is understandable given the number of pandemic-related lease cancellations. He noted while revenues are still off from 2019's more normal base, current volume indicates a sizeable jump from month to month a trend he said he views as positive.

Mr. Onorato discussed the Parking Court Report, which he noted is affected by the volume of ticket issuance and stated that while we are still off from 2020, we have seen a month to month increase since the start of the year. He reported that first quarter 2021 Parking Court revenues were \$1.5 million.

Mr. Onorato discussed the Garage Utilization Quarterly Report, which shows that utilization is at about 20 to 40 percent of its pre-pandemic level, with Forbes-Semple's 59-percent usage rate the highest of our garage networks, a result he attributed to its location adjacent to the Oakland concentration of hospital and universities. He noted that utilization is increasing slowly, again largely due to remote working and other factors outside of our control. He advised that many of the companies in the downtown area don't anticipate their staffs returning to on-site work locations until sometime in September at the earliest. He advised that even when there is return from fully remote activity, they may do so sequentially and not likely in pre-pandemic numbers.

Mr. Onorato discussed the Day and Evening Transient Report, which tracks the number of vehicles in and out of our facilities. He said its contents continue to provide a direct reflection of the pandemic's effects on usage, adding that we are beginning to see a slight but steady increase in month-to-month activity.

Mr. Onorato discussed the Downtown Housing Report, which he stated held constant during the first quarter of 2021 with Mellon Square, Grant Street Transportation Center and First Avenue accounting for 217 of the 329 current leases. He advised that the program is designed to accommodate residents of downtown whose purchase of a garage lease is discounted, upon proof of residency, by the amount of the parking tax currently in effect.

Mr. Onorato discussed the Quarterly Meter Revenue Report, which shows revenues by parking district and payment method. He said that, of all first quarter meter transactions, slightly below five percent were paid by coin, 35 percent by credit card, with the remaining 60 percent of transactions being paid using the phone application. He noted that the drop in cash usage had

been consistent throughout the pandemic period and a push in cashless transactions and increase in mobile app usage are trends taking place across the parking industry.

Mr. Onorato discussed the Pay-by-Phone Report, which he stated show that in March 2021 244,000 transactions employed the pay-by-phone application compared to 191,000 transactions paying at the meter. He said the average phone app transaction is \$2.72 per hour while the average meter-based transaction was \$2.34 per hour.

Mr. Onorato reported that, unrelated to the ParkMobile security breach, the Authority has been working with two new pay-by-phone vendors. He noted that the Board recently approved measures to bring more mobile apps into our system to provide a wider choice for payment options for our patrons.

RESOLUTION NO. 4 OF APRIL 2021, “A RESOLUTION ACKNOWLEDGING MR. HOWARD BROWN FOR HIS 17 YEARS OF PROFESSIONAL AND EXEMPLARY SERVICE IN HIS EMPLOYMENT WITH THE PITTSBURGH PARKING AUTHORITY, was read by Mr. Barron and considered by the Board.

Mr. Onorato advised that an Authority custom is to recognize employees who are retiring and said it was pre-pandemic practice to have the employee present at the final Board meeting prior to his or her departure to recognize them for their years of work. He advised that Mr. Brown has spent 17 years of employment between the City and the Parking Authority and thanked him for his service.

Mr. Cohen asked if there were any questions or comments.

There were none.

Upon motion by Mr. Barron and seconded by Ms. Fishback, Resolution No. 4 of 2021 was approved as follows: Mr. Barron, yes; Mr. Wilson, yes; Ms. Ricks, yes; Ms. Fishback, yes; Mr. Cohen, yes.

RESOLUTION NO. 5 OF APRIL 2021, “A RESOLUTION TO ACCEPT THE PUBLIC PARKING AUTHORITY OF PITTSBURGH’S FINANCIAL STATEMENTS AND REQUIRED SUPPLEMENTARY INFORMATION FOR YEARS ENDED DECEMBER 31, 2020 AND 2019 WITH INDEPENDENT AUDITOR’S REPORT AS RECOMMENDED BY THE AUDIT COMMITTEE, was read by Mr. Barron and considered by the Board.

Mr. Onorato thanked the Audit Committee consisting of Mr. DiNatale and Ms. Williams, CFO and Director of Finance, respectively, and Board members Barron and Fishback who met with Ms. Lewis and other Maher Duessel representatives prior to and following the audit. He advised that the Authority received an unmodified clean audit with no management letter, the highest rating possible.

Mr. Onorato introduced Ms. Lewis who also thanked the staff and committee and confirmed that the Authority did receive an unmodified opinion. She advised, however, that auditing industry standards prohibit absolute certain assurance of results, the opinion reached offers reasonable assurance that all data is stated fairly in all material respects. Ms. Lewis also noted that the absence of a management letter also indicates the soundness of the Authority's financial practices. She noted that 2020 was a very challenging period that required considerations that would not have been present in previous audit years, particularly if there were any changes to policies and procedures or internal controls that would affect financial statements. She advised that Maher Duessel was able to get all of its questions answered and all of the necessary documents provided just as in any other year and said she wanted to commend the Authority staff for its help and availability throughout the audit process. She advised that no audit adjustments were required or posted, indicating that the financial statements were in good shape throughout the year, adding that because no new accounting policies had to be adopted, the year's financial disclosure statements are very consistent with what we would have had in past years. Ms. Lewis noted that her firm were able to conduct the audit effectively and efficiently, and stated it appreciated the Authority's assistance in producing that result.

Mr. Onorato advised Board Members that they will be forwarded a copy of the finalized audit report after the meeting and reminded them that Authority and Maher Duessel staff representatives are available to respond to any questions they may have.

Mr. Barron thanked the Maher Duessel team as well as Mr. DiNatale, Ms. Williams and the Finance staff, noting that to come out of a very challenging year with our Financial Statements being so sound was a real testament to the professionalism of the staff. He advised that he and Ms. Fishback did have the opportunity to review the audit in detail with the Maher Duessel team and thanked them again for fielding our many questions. He stated he was very satisfied with the outcome of the audit.

Ms. Fishback stated she would second Mr. Barron's comments in every respect.

Mr. Cohen asked if there were any questions or comments.

There were none.

Upon motion by Mr. Barron and seconded by Ms. Fishback, Resolution No.5 of 2021 was approved as follows: Mr. Barron, yes; Mr. Wilson, yes; Ms. Ricks, yes; Ms. Fishback, yes; Mr. Cohen, yes.

RESOLUTION NO. 6 OF APRIL 2021, “A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO PURCHASE LAPTOPS AND ACCESSORIES FROM CDW GOVERNMENT, was read by Mr. Cohen and considered by the Board.

Mr. Onorato advised that this item is part of 2021 Capital Budget that was approved by the Board, specifically to purchase up to 12 new laptops, docking stations and accessories at a not-to-exceed cost of \$35,000. He advised that in light of the situation resulting from the pandemic where employees needed to be able to work from home, we wanted to increase our inventory of equipment to be able to accommodate more staff working remotely if we are again required to pivot in that direction.

Mr. Cohen stated that the Authority staff should be commended for being able to keep the Authority running during the pandemic, stating that he believes that this purchase is an appropriate preparation for an event of this type in the future.

Mr. Cohen asked if there were any questions or comments.

There were none.

Upon motion by Ms. Ricks and seconded by Mr. Cohen, Resolution No. 6 of 2021 was approved as follows: Mr. Barron, yes; Mr. Wilson, yes; Ms. Ricks, yes; Ms. Fishback, yes; Mr. Cohen, yes.

NEW BUSINESS

Mr. Wilson asked the Board for its position on RFPs and how the Board can be involved in the discussion of option issuances before they are extended by staff.

Mr. Onorato responded that it has been a past practice to award contracts that have two or three one-year options at the Authority’s discretion but said that the practice can be changed if the Board chooses to do so.

Mr. Cohen stated that the Board should allow the staff and Mr. Onorato in particular to run Authority operations and, unless the Board believes that something is being done incorrectly, it should continue to permit staff make the day-to-day decisions, with the Board remaining in its oversight role. He stated he is definitely not in agreement that the Board should be making these types of decisions, stating that the Board’s job is to make sure the financial decisions are sound and to review resolutions for approval or rejection. Mr. Cohen repeated that the day-to day activities should remaining staff’s responsibility and decisions on option extensions are appropriately based on vendor performance. He stated that the Executive Director would not recommend an extension if it wasn’t good for the Authority.

Mr. Wilson stated that he believes it is good to have a discussion prior to contract extensions.

Mr. Cohen said he respectfully disagreed and stated that unless there is an issue there is no need for the Board to have this discussion. He stated that while he believes that the Board can discuss anything he repeated that he strongly believes that the Board needs to allow Mr. Onorato to run the Authority.

Ms. Riels stated that this being a public Authority, a wide span of information sources could help advise the Authority and provide a diversity of feedback on its activities. She stated that she appreciates the Chairman's perspective but is also respectful of the Councilman's desire to probe perhaps bring an additional dimension to the Authority's service function.

Mr. Cohen stated that this Authority is run very well and should be permitted to continue to do so under the Executive Director with oversight by the Board.

Mr. Cohen also commended the Authority's Finance Department for its work in the recent refinancing of the Authority's debt, admitting that it was an action he initially approved. He stated that the action had much to say about both staff quality and the way the Authority is run.

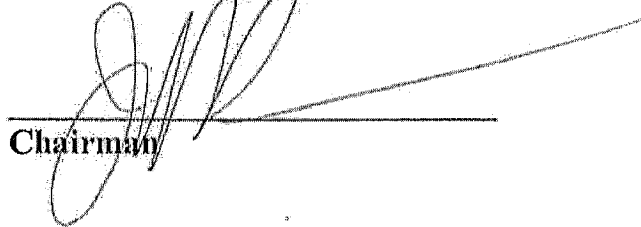
Mr. Onorato reminded everyone that the May Board Meeting date and time has been changed. It is now scheduled for 9:00 a.m. Wednesday May 19, 2021. He said a reminder calendar invitation has been sent to everyone.

Mr. Cohen asked if there were any additional new or old matters to discuss.

There were none.

The meeting was adjourned at 10:52 a.m. with all Board members in approval.

APPROVED TO CONTENT



Chairman

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

Approval

Mr. Cohen said he respectfully disagreed and stated that unless there is an issue there is no need for the Board to have this discussion. He stated that while he believes that the Board can discuss anything he repeated that he strongly believes that the Board needs to allow Mr. Onorato to run the Authority.

Ms. Ricks stated that this being a public Authority, a wide span of information sources could help advise the Authority and provide a diversity of feedback on its activities. She stated that she appreciates the Chairman's perspective but is also respectful of the Councilman's desire to probe perhaps bring an additional dimension to the Authority's service function.

Mr. Cohen stated that this Authority is run very well and should be permitted to continue to do so under the Executive Director with oversight by the Board.

Mr. Cohen also commended the Authority's Finance Department for its work in the recent refinancing of the Authority's debt, admitting that it was an action he initially approved. He stated that the action had much to say about both staff quality and the way the Authority is run.

Mr. Onorato reminded everyone that the May Board Meeting date and time has been changed. It is now scheduled for 9:00 a.m. Wednesday May 19, 2021. He said a reminder calendar invitation has been sent to everyone.

Mr. Cohen asked if there were any additional new or old matters to discuss.

There were none.

The meeting was adjourned at 10:52 a.m. with all Board members in approval.

APPROVED TO CONTENT

Chairman

ACCEPTED FOR FILING IN THE AUTHORITY'S BOOK OF MINUTES

Approval