

**MINUTES OF THE REGULAR MEETING OF THE
PUBLIC PARKING AUTHORITY OF PITTSBURGH
THURSDAY, APRIL 19, 2018**

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 10:08 a.m. on April 19, 2018, 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 and Cathy Qureshi. Present from staff were: David Onorato, Anthony Boule, Christopher Speers, Jo-Ann Williams, John Fournier, Bob Wilson, Kathryn Van Why, James Smith, Janet Staab, Tracy Sowinski, Philip Savino and Pat Konesky. Also present were Jason Wrona of Buchanan Ingersoll, Alicia Carberry of the City of Pittsburgh Mayor's Office, Doug Lang of WSP, Janet Feick of Maher Duessel and William Stewart of Strategic Communications.

MINUTES

Mr. Cohen asked for approval of the minutes from the March 15, 2018 meeting.

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

PUBLIC COMMENT

Mr. Cohen asked if there were any members of the public present who wished to speak.

Mr. Lang of WSP, formerly Parsons Brinckerhoff, stated he was present in the capacity of a potential future consultant as well as an Authority garage leaseholder.

Mr. Cohen asked if there were any additional public comments.

There were none.

EXECUTIVE DIRECTOR'S REPORT

Mr. Onorato updated the Board on the Mon Wharf closures due to flooding. He advised that through April there have been nine full-day closures, bringing the 2018 totals to 34 full-day and three partial-day closures.

Mr. Onorato advised that the Authority is in very early stages of talks with the City and Mosites regarding future development of the Hunt Armory site in Shadyside, converting it to a ground-level garage beneath commercial spaces and an ice rink.

Mr. Onorato advised that the Authority received a request from a consultant representing the Borough of Wilkinsburg regarding working with the borough on parking issues. He described the discussion as being in a very early stage.

Ms. Qureshi asked if this would be a sharing of services.

Mr. Onorato responded that it would be shared services for street parking but said that we are still in discussion as to what would be involved.

Mr. Onorato advised the Board that the Mayor held a press conference yesterday at the Second Avenue Parking Plaza to announce the installation of Solar EV ARC charging stations purchased by the City for use by its electric vehicles. He stated that there is discussion of allowing the public to utilize the chargers during daylight hours when they are not being used by the City fleet.

Mr. Onorato advised the Board that the Authority received a right-to-know communication from WTAE requesting a list of all the tickets issued in 2017 as well as a list of all vehicles on the boot list. He advised that the Authority responded appropriately and said he was just alerting the Board to a possible news report regarding the data provided.

Mr. Onorato advised the Board that the Authority's Chief Technology Officer Philip Savino is being recognized by the Pittsburgh Technology Council as a CIO of the Year finalist. The Board congratulated Mr. Savino for his selection.

Mr. Onorato advised the Board that the request presented at the March Board meeting by AFSCME Union members regarding residency requirements is currently being reviewed by our legal counsel whose opinion will be forwarded to the Board.

Mr. Onorato advised that this month's packet contains quarterly Board Reports and stated that the Finance, Facilities and Meter Reports all indicate the same trend, specifically that the overall revenues are down with garages being slightly off and meter revenue on pace with the budget. He stated that the Authority did account for this trend in its budgeting process, citing various reasons including construction projects and the loss of parkers due to the opening of new garages. He noted that we have been monitoring these trends and said that, while we are ahead of our budget we are slightly off pace from last year's total. He advised that the expenses for the month of March show a two-percent increase but expenses are approximately nine percent under budget for the year to date.

Mr. Onorato discussed the Enforcement Report, noting that with the meter revenue increasing and compliance going up, tickets issued are down. He said we are looking at the enforcement schedule to see if adjustments in assignments can address this trend.

Mr. Onorato discussed the Meter Revenue Report, which continues to show movement in the positive direction and is currently ahead of 2016 and 2017's results.

Mr. Onorato discussed the Parking Court Report, which is also trending down and noted that

the Authority did account for this in our 2018 budget. He noted that the decline in revenues is a direct result of fewer tickets being issued.

Mr. Cohen asked if this was simply a trend or was it something else.

Mr. Fournier responded that about 10 percent of the drop relates to the loss in personnel hours, fewer officers on staff as well as more officers out on FMLA. He stated that we have begun an aggressive hiring process, adding that when we hire we have to invest resources in training and we take our best officers as trainers. Mr. Fournier said he believes that approximately one-thousand of those fewer tickets are due to officers being assigned to training and not writing tickets. He stated that he calculates that about a five-percent difference still had to be accounted for and, after reviewing performance reports, which vary, he said he is not seeing a negative trend and believes that you can attribute most of that five percent to an increase in compliance at the meters and the weather conditions. Mr. Fournier said he believes that the solution is just to get our staffing level up, and we are doing that, but said it's going to take a little bit of time for the numbers to get back to where he feels they should be. He noted that even when the new officers are trained, their productivity will not replace the productivity of the old officers for a period of approximately six months.

Mr. Cohen asked the average daily number of officers.

Mr. Fournier advised that on a Tuesday, Wednesday or Thursday, which are our heavier days, there are 25 officers on-street and said we are able to maintain that staffing level on those three weekdays because of the schedule. He reported that the budget accounts reflects the presence of 43 officers, 23 full time and 19 part time, noting that the full-time positions are currently full but part-time positions are just 50-percent occupied. He explained that it is common for part time officers to come and go frequently as work is bridge work with other employment. Mr. Fournier stated that the Authority has been aggressive in interviewing for these positions and we have made a lot of hires in the past few months and it is just a matter of time until they reach a full level of performance. He said that while he anticipates next month's performance numbers will continue to be lower than normal, the trend is moving in the right direction. Mr. Fournier stated that the Residential Permit Parking ticket numbers continue to increase and said he believes that is a reflection of the technology investments that the Authority has made in its RPP enforcement practices.

Ms. Qureshi stated that the \$1.9 million in revenue collected and \$765,000 in fines collected, for a total of \$2.6 million in March is a remarkable business model.

Mr. Cohen stated that he agrees, but with revenues down almost \$400,000 and at that rate, he said we would be down \$1.2 million on ticket revenue for the year.

Mr. Onorato stated that this trend was anticipated in the budget process.

Mr. Fournier added that another variable to consider is that last year's tickets issued were at an all-time high.

Ms. Oliphant asked how long we anticipate and estimate this trend to continue, noting that we can then work towards that expectation.

Mr. Fournier responded that it depends of many factors, but we can look at this again at the end of the second quarter and his goal is to get us back to parity by that time. He noted 2018 street sweeping has just begun and said that should impact the amount of tickets issued.

Mr. Cohen asked if the current full-time to part-time ratio is the correct ratio for the business model.

Mr. Fournier responded that in a vacuum it certainly would be easier to have more full-time enforcement officers than part time officers, but you would need to weight those relative costs. He said if we did a budget-neutral translation over to all full-time officers he does not believe we would have enough officer hours to do the work that is required.

Mr. Onorato added that expanding LPR usage makes enforcement more efficient and that the Authority is also exploring legislation for issuing tickets by mail to also increase efficiency.

Ms. Qureshi stated that her neighborhood's street-sweeping season just began and stated that warning tickets were issued during the first two weeks of the program. She added that, while the warnings directly affect the Authority's revenues, she believes that it is a goodwill gesture that goes a long way.

Mr. Onorato discussed the Quarterly Utilization Report, noting that we are maintaining the trend of seven of the eight garages being 90-percent full during the hours we monitor.

Mr. Onorato discussed the Quarterly Facility Reports, specifically referring to the cash flow-to- budget chart which shows anticipated trends in cash receipts throughout the year. He noted that we are currently above the budget trend and advised that we can share the detailed information at a later time with Board members should they desire.

Mr. Onorato discussed the Downtown Housing Report, noting that the Authority currently has 252 Downtown Housing leases, with Mellon Square and Grant Street Transportation Center being the two facilities most utilized for the program.

Mr. Onorato discussed the Multi-Space Meter Report, advising that of the \$5.1 million revenue received for the quarter, eight percent was through coins, 46 percent through the meter and another 46 through pay-by-phone. He said the credit card transactions amounted to 92 percent of the \$5.1 million total.

Ms. Qureshi asked if the meters on Technology Drive were newly installed and where the meters at Bakery Square are located.

Mr. Onorato replied that the meters on Technology Drive have been in place for years and are located next to the garage and, per a City directive, their rates are required to match the garage rates. He noted that the meters at Bakery Square are located on a side street near the new housing development on the former Reisenstein School site.

Mr. Cohen asked if there were any additional questions.

There were none.

RESOLUTION NO. 15 OF APRIL 2018, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO PURCHASE ADDITIONAL VEHICLES AND EQUIPMENT NECESSARY FOR ONGOING OPERATIONAL MAINTENANCE AT ITS GARAGE FACILITIES AND LOTS, was read by Mr. Cohen and considered by the Board.

Mr. Onorato advised that the Authority would like to purchase up to two additional maintenance vehicles for our garage locations. He advised that we currently have nine of these vehicles in our fleet inventory, one located at each facility to increase the efficiency of our cleaning function.

Ms. Qureshi asked if a driver's license is needed to operate one of these vehicles.

Mr. Onorato responded that while you do not have to have a driver's license to operate them, we train our employees on how to use them in our facilities as we do not use them at all on the surrounding streets.

Mr. Cohen asked if the intent was to purchase more next year and asked how many are needed in total.

Mr. Speers responded that the total really depends on the size of the garage, noting that a garage such as Shadyside, which has 200 spaces, he is not sure that we need both riding sweeper and a combo unit which performs both sweeping and scrubbing. He advised that we use them to sweep in the winter months and, when the water is turned on in early spring, we use them for scrubbing. He stated a garage like Mellon Square, with a large volume of vehicles, we have both a sweeper and a scrubber. He said smaller garages usually start with a combo unit and if we need units at a garage that does not have a scrubber or combo, we transport one to that facility via trailer.

Mr. Cohen asked if the unit pricing escalates depending on time of purchase.

Mr. Speers advised that the Authority uses the Co-Stars contract to secure the lowest costs but said he recalls that in the last four or five years there has been maybe about a one or two percent increase, but the cost has been holding pretty steady. He advised that the cost is about \$57,000 for the sweeper/scrubber combo and said we typically stock up on accessories such as the main and side swirl brushes, receiving a significant discount when they are ordered at the time of purchase of the unit. He advised that these units have a one-year warranty, but he noted that the Tenant brand machines are known workhorses that he is personally aware of having lasted 20 to 25 years.

Mr. Cohen asked if there were any additional questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Ms. Qureshi, Resolution No. 15 of 2018 was approved as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Cohen, yes.

Upon motion by Ms. Oliphant and seconded by Ms. Qureshi, Resolution No. 15 of 2018 was approved as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Cohen, yes.

RESOLUTION NO. 16 OF APRIL 2018, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO NEGOTIATE AND ENTER INTO A SUPERCHARGER AGREEMENT WITH TESLA MOTORS, INC., was read by Mr. Cohen and considered by the Board.

Mr. Onorato advised that the Authority is looking to expand our number of EV Charging Stations and said this is a non-exclusive agreement with Tesla Motors to install chargers on the roof of our Shadyside Garage. He noted that if other vendors wanted to install chargers we would be able to negotiate the installation of those as well. He advised that Tesla would pay the current monthly lease rate for eight spaces, together with all installation costs for the charging stations and the transformer, a separate electric meter and the monthly electricity costs as well. He stated that initially two spaces will be set aside for Tesla's use and the Authority will release the other six spaces as the demand dictates.

Ms. Qureshi asked if Tesla would charge customers for this service.

Mr. Onorato replied that Tesla would charge its customers for charging and then add an additional fee after the vehicle is charged if it remains in the charging space. He advised that this service is strictly controlled by Tesla and is not billed through the Authority, but said that the Authority will receive additional revenue from the eight new monthly leases.

Ms. Oliphant asked who would maintain this equipment.

Mr. Onorato responded that Tesla is responsible for all of the equipment. He advised that the Authority is responsible for cleaning the snow from the roof of the facility and that this will continue as in the past.

Ms. Oliphant suggested that signage be added to reflect this is some way so that if there are any issues the customer realizes that the Authority is not responsible.

Mr. Cohen asked the timeline for installation.

Mr. Speers responded that Tesla would like to have these units fully operational by the end of the third quarter of this year.

Mr. Cohen asked if there were any additional questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Ms. Qureshi, Resolution No. 16 of 2018 was approved as follows; Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Cohen, yes.

LEASE AGREEMENT WITH NEW CINGULAR WIRELESS PCS, LLC,
was read by Mr. Cohen and considered by the Board.

Mr. Onorato advised that AT&T reached out to us with an interest in placing an antenna on the roof level of the Third Avenue Garage at no cost to the Authority. He advised that it would be located on the helix ramp and would not take any spaces out of service. He advised that we anticipate additional revenue of \$3,500 per month or \$42,000 per year, with three-percent annual increases. He advised that he contacted other local entities such as ALCO Parking and Sports and Exhibition Authority to learn the details of similar installations at their garages and said he feels the \$3,500 per month is a competitive rate. He also advised that AT&T would be required to obtain all City permits required.

Mr. Cohen asked the duration of the agreement.

Mr. Onorato advised that he is looking to implement a three-year agreement with two one-year options.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Ms. Qureshi, Resolution No.17 of 2018 was approved as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Cohen, yes.

RESOLUTION NO. 18 OF APRIL 2018, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO NEGOTIATE AND ENTER INTO AN EASEMENT AGREEMENT WITH DUQUESNE LIGHT COMPANY, was read by Mr. Cohen and considered by the Board.

Mr. Onorato advised that Duquesne Light expressed interest in placing routers on the outside of the Smithfield/Liberty and Third Avenue Garages. He stated that our goal is to have Duquesne Light place EV chargers in each of these facilities at no cost to the Authority

Ms. Qureshi asked if this would generate any additional monthly revenue.

Mr. Onorato responded that in lieu of receiving revenue, he would prefer to have these EV chargers purchased and installed at no cost to the Authority.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Ms. Qureshi, Resolution No. 18 of 2018 was approved as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Cohen, yes.

RESOLUTION NO. 19 OF APRIL 2018, "A RESOLUTION TO ACCEPT THE PUBLIC PARKING AUTHORITY OF PITTSBURGH'S FINANCIAL STATEMENTS AND REQUIRED SUPPLEMENTARY INFORMATION FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016 WITH INDEPENDENT AUDITOR'S REPORT AS RECOMMENDED BY THE AUDIT COMMITTEE, was read by Mr. Cohen and considered by the Board.

Mr. Onorato thanked Ms. Qureshi and Mr. Barron for serving on the PPAP's Audit Committee as well as staff for working with Maher Duessel on the audit, which was completed on the auditing statement, the independent auditors' report and a management letter issued for an Accounts Receivable item that was found during the audit process. He advised that Ms. Fleick from Maher Duessel was present and was available to answer any questions the Board may have.

Ms. Fleick addressed the Board and advised that she was the manager on the audit process and said everything was completed on time. She advised that when her firm is on-site its members coordinate with and cross all departments including garages and said she wanted to express her appreciation for the cooperation they always receive. She stated that Maher Duessel met with the Audit Committee last week and had a productive, robust discussion. She stated that they have no significant disagreements with management; no difficulties; no audit or wage adjustments; and no matters to report in regards to the debt covenant, which indicates that the information presented to the Board throughout the year is accurate. Ms. Feick stated that an unmodified opinion on the financial statement is the best an organization can receive and said there were no other matters to report.

Ms. Qureshi stated that she appreciates being a member of the Audit Committee, noting that the Authority brought in \$61 million in the last year and manages a pension and healthcare fund as well. She stated that serving on the Audit Committee gave her valuable insight into the many aspects of the Authority's operations, noting that its function involves much more than simply parking cars.

Mr. Cohen thanked his fellow Board Members for serving on the committee.

Ms. Oliphant stated that she served on this committee the previous two years and commented that it was a great way to learn about the Authority. She commended Director of Finance Williams and her staff for the work they do, noting that they are always responsive to Board requests.

Mr. Cohen asked if there were any questions.

There was none.

Upon motion by Ms. Oliphant and seconded by Ms. Qureshi, Resolution No. 19 of 2018 was approved as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Cohen, yes

Upon motion by Ms. Oliphant and seconded by Ms. Qureshi, Resolution No. 19 of 2018 was approved as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Cohen, yes

OLD/NEW BUSINESS

Mr. Cohen asked if there was any new or old business for discussion.

There were none.

The next Board meeting is scheduled for Thursday May 17, 2018 at 10:00 a.m.

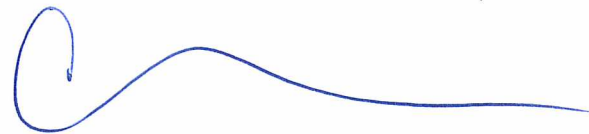
The meeting was adjourned at 10:52 am with all Board Members in approval.

APPROVED TO CONTENT



Chairman

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



Approval