

**MINUTES OF THE REGULAR MEETING OF THE**  
**PUBLIC PARKING AUTHORITY OF PITTSBURGH**  
**THURSDAY, MARCH 18, 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 March 18, 2010 at 10:00 a.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, Natalia Rudiak, Christopher D'Addario and Scott Kunka. Present from staff were: David Onorato, Anthony Boule, Judi DeVito, Jo-Ann Williams, Christopher Speers, Chris Holt, Patricia Konesky and Shonda Goldsmith. Marc Dreves of Teamsters Local 926, Rich Lord of the Pittsburgh Post Gazette, Adam Brandolph of the Pittsburgh Tribune Review, William Stewart of Strategic Communications, Mark McCall of Tucker, Johnson, Smelzer, Inc. and Jacqui Lazo of Buchanan Ingersoll & Rooney were also present at the start of the meeting

**MINUTES**

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

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

The motion was approved by Ms. Judson and seconded by Mr. Jasper.

The minutes were approved, as amended, as follows: Ms. Rudiak, yes; Mr. D'Addario, yes; Ms. Judson, yes; Mr. Jasper, Mr. Kunka, yes.

**PUBLIC COMMENT**

Mr. Kunka asked for public comments.

Mr. Dreves introduced himself and stated that he would like to address the Board regarding the proposed system monetization. Mr. Dreves advised that the Mayor had appointed him to serve on an advisory board involved in this process. He stated that the proposal deadline of year-end 2010 is an issue with the Teamsters because their contract with the Parking Authority doesn't expire until May of 2011. He stated that if the system monetization process is approved, the Teamsters would need to enter into negotiation with the new owner on the first day they assumed their duties. Mr. Dreves said he was concerned that everything that has been negotiated and accepted to date would be subject to re-negotiation with the new operator, from staffing levels to wages and more. He said he met with Mr. Onorato to give him a proposal on

extending the current agreement to allow time for a smooth transition and is asking the Board to consider this extension. He added that he supplied the Authority with copies of contracts with other area parking operators to demonstrate accepted Teamsters standards throughout the market place.

Mr. Dreves stated that the pension amount appears to be more than it usually is and noted that his organization is mandated by its pension fund to obtain a six-percent increase each year of the agreement to keep the unit multiplier at one. He asked that the Board consider his request and stated that he looks forward to working with the Authority to achieve a smooth transition.

Mr. Kunka thanked Mr. Dreves and stated that his proposal is being looked at from a financial perspective to determine its impact on the Authority. He advised that the Authority is willing to work with the unions in a non-public setting to negotiate any changes.

Mr. Kunka asked if there were any other public comments. There were none.

## **RESOLUTIONS**

**RESOLUTION NO. 11 OF MARCH 2010, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO APPROVE FINAL PAYMENT TO CTR SYSTEMS, INC. (GSTC BID PACKET-08 REVENUE CONTROL SYSTEMS) FOR THE INSTALLATION OF REVENUE CONTROL EQUIPMENT AT THE GRANT STREET TRANSPORTATION CENTER,** was read by Mr. Jasper and considered by the Board.

Mr. Onorato advised that this is the final payment for the installation of the revenue control equipment at GSTC. He advised that the last remaining item on the punch list has been resolved and said the Authority is satisfied with CTR's work on this project. He reported that the original contract price was \$491,000 and said there were no change orders.

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

Upon motion by Ms. Rudiak and seconded by Mr. D'Addario, Resolution No. 11 of 2010 was approved as follows: Ms. Rudiak, yes; Mr. D'Addario, yes; Ms. Judson, yes; Mr. Kunka, yes; Mr. Jasper abstained.

**RESOLUTION NO. 12 OF MARCH 2010, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ISSUE A REQUEST FOR PROPOSALS (RFP) FROM INSURANCE BROKERS FOR THE RENEWAL OF THE AUTHORITY'S INSURANCE COVERAGE FOR A THREE-YEAR PERIOD,** was read by Mr. Jasper and considered by the Board. .

Mr. Onorato advised the Board that the current contract expires September 30, 2010 and said staff is asking for approval to solicit bids for insurance renewals. He advised that this encompasses all coverage, including Worker's Compensation and Flood Insurance.

Mr. Jasper asked the term length of the new contracts.

Mr. Onorato advised that the coverage term would be for a three-year period.

Ms. Rudiak asked that if the system monetization should occur, if the Authority's insurance contracts would need to be completely re-negotiated.

Mr. Onorato replied that the Authority would require that a 30-day cancellation of contract clause be written into the agreement to accommodate the system monetization should it occur. He said the clause would relieve the Authority of any penalty should a new operator choose not to keep the current insurance in force.

Mr. Jasper asked if there was any cost impact to have this clause built into the contract.

Mr. Onorato advised that he did not have a definite answer to that question at this time and introduced Mr. McCall, the Authority's current insurance consultant who he stated would be more qualified to answer that and other questions.

Mr. McCall stated that the industry standard penalty was 10 percent on unearned premiums but said a change in ownership or organization structure permit policies to be cancelled on a pro-rata basis. Referring to Mr. Jasper's question, he said there would be no financial penalty in this instance.

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

Upon motion by Mr. D'Addario and seconded by Ms. Judson, Resolution No. 12 of 2010 was approved as follows: Ms. Rudiak, yes; Mr. D'Addario, yes; Ms. Judson, yes; Mr. Kunka, yes; Mr. Jasper abstained.

**RESOLUTION NO. 13 OF MARCH 2010, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH TUCKER, JOHNSON, SMELZER, INC. AS A CONSULTANT TO GUIDE THE PROCESS OF SELECTING AN INSURANCE BROKER,** was read by Mr. Jasper and considered by the Board.

Mr. Onorato reported that Mr. McCall of Tucker Johnson Smelzer, Inc. is the Authority's current consultant and assists the Authority throughout the year on all types of policy questions, worker's compensation claims and reviews the Authority's projects to insure that contractors

have sufficient insurance. He advised that staff is asking that his scope of work be expanded to include writing the RFP and assisting in developing the scope of work and is therefore asking to extend his contract to a not-to-exceed price of \$20,000.

Ms. Judson commented that, being part of the insurance committee over the past few years and having working knowledge of insurance policies and procedures, including premium costs, Mr. McCall has gone above the normal duties of a consultant and has been very proactive in generating considerable financial savings for the Authority. She stated that she is proud to have served on the committee with Mr. McCall and highly recommends retaining his services.

Mr. Onorato confirmed Mr. McCall's contribution and stated that he will be soliciting new Board member participation service on future committees such as the insurance committee.

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

Upon motion by Ms. Judson and seconded by Mr. D'Addario, Resolution No. 13 of 2010 was approved as follows: Ms. Rudiak, yes; Mr. D'Addario, yes; Ms. Judson, yes; Mr. Kunka, yes; Mr. Jasper abstained.

## **EXECUTIVE DIRECTOR'S REPORT**

Mr. Onorato updated the board members on the progress of the system monetization, advising that RFQs from potential investors are due in tomorrow at 5:00 p.m. He also advised that the Parking Task Force, including representatives from Scott Balice, has been meeting with community groups and neighborhood organizations to ensure that the targeted deadline will be met.

Mr. Onorato advised that last month's major snowstorm affected the Authority in both decreased revenues and increased expenses. He advised that the full-time AFSCME parking enforcement officers were relieved of their duties for two weeks and the part-time AFSCME parking enforcement officers were off work for a three-week period. He noted that the meter collections and repair department employees who did work were assigned snow removal duties and therefore no collections were performed for one month, as reflected in the monthly revenue reports. Mr. Onorato also report that access to the rooves of the parking garages was limited during the period, resulting in lower facility utilization. He said that in addition to the decreased revenues, the Authority incurred increased expenses from our snow removal contractor's increased use of heavy equipment.

Mr. Onorato advised that the Grant Street Transportation Center garage realized a good month from the Home and Garden show's 10-day operation. He advised that we worked with the Sports & Exhibition Authority to accommodate parkers during this event, which resulted in GSTC operating at 90 percent of capacity.

Mr. Onorato advised that the Mon Wharf was closed due to flooding parts of for three

days in February and four full days so far in March. He said this closure is reflected in the revenue reports.

Mr. Onorato advised that the monthly reports detail the impact of the previously mentioned snowstorm and flooding difficulties.

Mr. Kunka stated that he did review the reports and stated that, in reality, it could have been a lot worse.

Mr. Onorato confirmed that view and stated that the Authority staff was a big factor in getting facilities back in operation as quickly as possible.

Mr. Jasper inquired if the decline in revenue offset matched the decline in expense?

Mr. Onorato responded that this is not the case, noting that the decrease in partial payroll expenses was more than offset by the additional expense in snow removal from our contracting company and accompanying overtime costs

Mr. Jasper inquired if the Authority would be able to recoup any of these losses.

Mr. Onorato advised that the lost revenue and additional expense were calculated and submitted to the City. He stated, however, that after conversation with Director Huss of the City, he did not believe that the Authority would qualify under the rules for reimbursement.

Mr. Jasper inquired as to why the Authority did not qualify.

Mr. Onorato stated that the Authority was not responsible for clearing public roads or public access, a major qualification for reimbursement.

Mr. Onorato summarized that we have submitted all the appropriate information and are awaiting the City's response to determine if it is reimbursable.

Mr. Jasper inquired about the long-term effect of the weight of the snow on some of our structures.

Mr. Onorato advised that Project Management staff worked with the contractor to ensure that snow was packed within areas that would not place additional weight on the structures sufficient to cause damage.

Mr. D'Addario inquired if the new areas of the Mon Wharf were affected with the recent flooding.

Mr. Onorato advised that the newly expanded park area causes additional time delays for the Authority and Public Works clean-up efforts because the labor area is more intensive.

Mr. D'Addario asked if Mr. Onorato was aware of any damage to the park area caused by the

flooding.

Mr. Onorato advised that he was aware of some loss of trees and some displacement of the bricks from the top of the restraining wall. Mr. Onorato advised that the Public Works department was responsible for cleaning the park area and said that the park's clean-up efforts due to this particular flood still remained to be completed. He noted that our priority was the parking area as it is a revenue generator.

Mr. Kunka asked that future financial board reports show the budget estimate for the year in a column next to each item.

Mr. Onorato replied that the report will be changed beginning with next month's Board meeting.

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


## **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 April 15, 2010 at 10:00 a.m.

Upon motion by Mr. Jasper and seconded by Mr. D'Addario the meeting was adjourned at 10:16 a.m.

## **APPROVED TO CONTENT**

  
Chairman

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



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**Approval**