

**MINUTES OF THE REGULAR MEETING OF THE
PUBLIC PARKING AUTHORITY OF PITTSBURGH
THURSDAY, APRIL 18, 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 10:21 a.m. on April 18, 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, Matt Barron, Aradhna Oliphant and Cathy Qureshi. Present from staff were: David Onorato, Chris Holt, Gwendolyn Bolden, Jo-Ann Williams, Bill Conner, Philip Savino, Janet Staab, Tracy Sowinski, Kathryn Van Why, Bob Wilson and Pat Konesky. Also present was Jason Wrona of Buchanan Ingersoll; Bryan Martucci of H.R. Gray; Betsy Krisher and Janet Feick of Maher Duessel; William Stewart of Strategic Communications and Alicia Carberry of the City of Pittsburgh Mayor's Office.

MINUTES

Mr. Cohen asked for approval of the minutes from the March 21, 2019 meeting.

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

PUBLIC COMMENT

Mr. Cohen asked if there were any public comments.

There were none.

EXECUTIVE DIRECTOR'S REPORT

Mr. Onorato updated the Board on the Ninth and Penn project advising that the RFP for the demolition phase has been issued and we anticipate awarding the contract at the May Board meeting and mobilization to begin in June.

Mr. Onorato advised that we are currently working with ParkMobile on some end-user issues and advised that corrective updates to correct some of the issues that are occurring will be available in a day or two.

Mr. Onorato shared with the Board the Authority's Market Rate Survey, performed quarterly, which indicates that that Authority rates are 25 to 45 percent below the market average. He

advised that this internal report shows how our rates compare with our competitors in the downtown, Oakland and North Shore locations.

Ms. Oliphant asked if it was time to increase our rates.

Mr. Onorato responded that the Authority will evaluate the issue and possibly request a rate increase for next year.

Mr. Onorato discussed the Finance Report, stating that the Authority is on target with the budget based on the revenues for the first quarter but is slightly off from last year's actual numbers mostly because of reduced garage receipts resulting from more of Ninth and Penn being closed than anticipated. He advised that the entire Ninth and Penn garage is anticipated to be completely closed in June and said that our 2019 budget has accounted for that. He discussed the parking-by-space section of the report, noting that the top three facilities for gross revenue per space were the Smithfield/Liberty, Mellon Square and Oliver Garages. He advised that per-space revenue was \$1,023 in 2018 and is \$1,010 per space to date this year.

Ms. Qureshi asked if the Authority has a report showing how many vehicles park in the facilities on a daily basis.

Mr. Onorato responded we do include that data in the quarterly Board packets and will discuss it with the quarterly reports.

Mr. Onorato discussed the Facilities Report, which is in line with the Finance Reports shows that the biggest decrease of 36 percent at Ninth and Penn is due to the anticipated demolition of that facility.

Ms. Oliphant asked if the Authority has received any complaints regarding the garage's closing or its loss of spaces to date.

Mr. Onorato advised that we have not received any complaints but noted that a meeting today with the Cultural Trust, Trek Development and Alco Parking will focus on displacement of parkers and how they can be accommodated during this project's timeline. He advised that the Authority has already relocated the majority of our lease parkers, with only about 40 remaining. He stated that he believes that the public welcomes the news that a new facility is being built.

Mr. Barron asked if there was any explanation in the 10-percent drop in revenues at the Shadyside Garage.

Mr. Onorato responded that the Authority has been tracking the decline and said he believes that it is mostly due to the number of businesses relocating from that business district.

Mr. Cohen added that there is really not much retail businesses remaining in that area and added that he believes that people frequenting the businesses that are remaining are utilizing ride programs such as Uber and Lyft more frequently. He said he believes that we will see this transportation preference having an effect across the system.

Mr. Cohen asked when the Grant Street Transportation Center will be seeing the revenues

from Bombardier relocating to the city and begin utilizing its large number of leases at the facility.

Mr. Onorato replied that they began arriving in April and therefore are not reflected in this month's reports. He noted that they will be utilizing 200 individual leases per month and said the company will be issuing one check for the parking related costs.

Mr. Onorato discussed the Enforcement Report, noting that tickets have increased with unpaid meter time being the most common type of violation. He also noted that the Authority has been receiving many inquiries and complaints regarding its enforcement of Residential Permit Parking and said increased coverage in those areas has increased the number of tickets for that violation. Mr. Onorato responded that the report for phone app usage shows that its utilization has also increased.

Mr. Cohen stated that he wondered if the increase in tickets was because of weather-related issues last year compared to the weather during the same period this year.

Mr. Onorato replied that the use is due to increased efficiencies involving LPR usage and officer scheduling, adding that we are always reviewing our enforcement practices to see if we can improve.

Mr. Cohen stated that you would think that with more people using the app there would be fewer tickets issued.

Mr. Onorato discussed the Meter Revenue Report, noting that the significant construction activity in the Strip District has reduced meter revenue and is reflected in the report.

Mr. Onorato discussed the Parking Court Quarterly Revenue Report, noting its \$2.4 million volume in 2019 revenues and the City's share of \$1.8 million, making us right on target to meet our full year budget of \$7.5 million.

Mr. Onorato discussed the MBE/WBE Quarterly Report, showing participation levels associated with construction projects and professional services contracts performed throughout the year. He noted that the Authority's MBE goal is 25 percent and 10 percent for WBE.

Mr. Barron asked the Authority's current overall percentage of minority participation.

Mr. Onorato advised that he does not have that information immediately available but will get it to the Board.

Ms. Oliphant asked if that data could be broken down by the contract size of the contract.

Mr. Wrona added that Buchanan Ingersoll & Rooney should be added to the list of minority firms participating in Authority assignments.

Mr. Onorato discussed the Occupancy and Utilization Report, citing that eight of the 13 sites show an over 90-percent usage. He noted that Grant Street should reach that percentage level

next month with the addition of its new leases and said Ninth and Penn will be declining pending the anticipated closure of the facility.

Mr. Onorato discussed the Transient and Net Revenue Report, which shows the total number of garage transactions throughout the year.

Mr. Onorato discussed the Downtown Housing Report, which tracks the leases held by downtown residents. He said the majority of the current total of 269 sold to date involve the use of the Mellon Square and Grant Street facilities. He noted that there had been a significant amount of usage at Ninth and Penn but we have already relocated those customers into our other facilities.

Mr. Onorato discussed the Quarterly Revenue Report, stating that this report shows all of the revenue and transactions occurring through the meters, whether paid for by coins, credit cards or the pay-by-phone app. He noted that six percent of all first-quarter transactions were made using coins, 42 percent by credit card and 52 percent by phone. He stated that the average first-quarter transaction using the phone app was \$2.74 compared to \$2.43 paid directly at the meter. He noted that there were 6,000 new downloads of the app during the quarter.

Mr. Cohen suggested that we look back at the report comparisons from 2017 to this year to see if our rates are where they should be.

Mr. Onorato responded that we do track that data, by street and lot, on a monthly basis.

Ms. Oliphant asked how that information would guide us.

Mr. Cohen responded that it would help to determine if rates should be adjusted.

Mr. Onorato updated the Board that the Authority will be converting five meters in the downtown area to touch-screen technology, noting that they would accept no coins as payment and provide no parking receipts. He said the purpose was to see what type of feedback we receive. He advised that we will be placing them in the areas where coin transactions are the most frequent to help gauge the impact of removing coins as a payment option. He noted that a text receipt can be given.

Ms. Qureshi noted that while the change is efficient it may also discriminate against users who do not have a credit card.

Mr. Onorato responded that this is why we are testing the market to determine the level of public acceptance to possibly install two of three kiosks in an area but leave one remaining that continues to accept coins. He did note that this potential upgrade will affect only areas where the rate is \$3.00 or higher.

Ms. Oliphant asked the purpose of upgrading to this type of technology.

Mr. Onorato responded that the future trend is that everything is going cash and paperless. He stated that we can see from our Board reports, which show that only six percent of metered parking involves the use of coins. He added that the meters' coin units are costly to maintain.

Ms. Qureshi stated that the Authority might not get any feedback and asked that we keep that in mind.

Mr. Cohen agreed with Ms. Qureshi, stating that the change could be viewed as discrimination unless people are publicly told ahead of time.

Mr. Onorato stated that this is why the Authority is testing the payment limitation at just five machines and said that we will assess their usage volume as well as any feedback from the public.

Ms. Carberry asked if the meters would be prominently marked with the types of payment modes they will accept.

Mr. Onorato responded that the meters would be clearly marked with that information.

Mr. Cohen asked if there were any additional questions.

There were none.

RESOLUTION NO. 12 OF APRIL 2019, "A RESOLUTION ACCEPTING THE FINANCIAL STATEMENTS AND REQUIRED SUPPLEMENTARY INFORMATION FOR THE YEARS ENDED DECEMBER 31, 2018 AND 2017 WITH INDEPENDENT AUDITOR'S REPORT AS RECOMMENDED BY THE AUDIT COMMITTEE, was read by Mr. Cohen and considered by the Board.

Mr. Onorato advised that the Audit Committee consisted of Ms. Qureshi, Mr. Barron, Mr. Cohen and Ms. Williams. He advised that the representatives from Maher Duessel met with or corresponded with members of the committee regarding the report, which was an unmodified audit with no management letter. Mr. Onorato introduced Maher Duessel representatives Ms. Krisher and Ms. Feick who were in attendance and thanked them for their efforts in completing this year's audit.

Ms. Krisher said she had nothing to add, stating that Mr. Onorato's statements covered everything.

Ms. Qureshi added that a telephone call with the entire group at the beginning of the audit reviewed everything that would be covered and mentioned that all members were very engaged during this call. She added that on the back end of the process, she met with Mr. Onorato, Ms. Williams and the auditors and reviewed a very detailed report that she said she was very comfortable in accepting.

Mr. Barron added that he was unable to attend the final meeting due to travel but said he also reviewed the report and is recommending its acceptance.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Mr. Barron, Resolution No. 12 of 2019 was approved as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Barron, yes; Mr. Cohen, yes.

RESOLUTION NO. 13 OF APRIL 2019, "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 the Board that this purchase of a sweeper/scrubber combo, to be housed at Third Avenue Garage, will bring our entire fleet of these units to 11. He advised that this type of equipment is used to clean and maintain the decks of the garages, noting that the addition will be purchased using the Co-Stars program at a cost not to exceed \$50,000.

Mr. Cohen asked if the purchase price of these units has increased or decreased since our last purchase and how often they are used in the garages.

Mr. Onorato advised that their costs have held at pretty much the same amount and said the sweeper function is used year-round, explaining that the scrubber function is used only in the months when the water is able to be turned on in each facility.

Ms. Qureshi stated that the Authority needs to purchase a sweeper for the step areas as they can get really dirty.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Mr. Barron, Resolution No. 13 of 2019 was tabled as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Barron, yes; Mr. Cohen, yes.

RESOLUTION NO. 14 OF APRIL 2019, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO AWARD A CONTRACT TO NATHAN CONTRACTING, LP FOR STRUCTURAL REPAIRS TO AN EXISTING

ELECTRICAL VAULT AT THE FT. DUQUESNE & 6TH GARAGE, was read by Mr. Cohen and considered by the Board.

Mr. Onorato advised that, during the recent upgrade of the lighting at the Ft. Duquesne and Sixth Garage, it was determined that the vaults in the sidewalk which contain the transformers required replacement. He advised that the Parking Authority is responsible for the vaults while Duquesne Light is responsible for the electrical transformers, adding that we will be replacing the two vaults with one. He advised that of three bids received, Nathan Contracting's submission totaled \$84,888.00.

Mr. Holt advised that the resolution contained a typo and clarified that the bid amount is \$84,888.00.

Mr. Barron asked if there would be any loss of power to the facility during the upgrade.

Mr. Holt stated that we do anticipate a power outage during this upgrade and said there will be coordination between all entities involved to keep any outages to a minimum.

Mr. Onorato mentioned that we will employ a backup generator during this shutdown in order to keep the revenue control equipment working.

Ms. Qureshi asked if the Authority would be responsible for any payment to Duquesne Light.

Mr. Holt advised that we will not be responsible to pay anything to Duquesne Light.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Mr. Barron, Resolution No. 14 of 2019 was tabled as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Barron, yes; Mr. Cohen, yes.

RESOLUTION NO. 15 OF APRIL 2019, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ISSUE A REQUEST FOR PROPOSALS (RFP) FOR A UNIFIED SECURITY CAMERA SYSTEM, was read by Mr. Cohen and considered by the Board.

Mr. Onorato stated that based on the Director comments at last month's Board Meeting, the Authority rejected all bids received for the last RFP and will be issuing a new RFP adjusting its specifications and changing some of the Authority's scoring criteria.

Ms. Qureshi thanked staff for listening to the Board and making changes.

Ms. Oliphant stated that we want our Board to be engaged and noted it was interesting reading the minutes and understanding the issue and conversation.

Mr. Barron stated that he was not present at the last meeting and therefore was not involved in the conversation but asked if the Ninth and Penn Garage was included in this upgrade. He noted that we should consider purchasing any equipment to be used there at the same time as the others so that it is compatible with all the other facilities.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Mr. Barron and seconded by Ms. Qureshi, Resolution No. 15 of 2019 was tabled as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Barron, yes; Mr. Cohen, yes.

RESOLUTION NO. 16 OF APRIL 2019, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO AWARD A CONTRACT TO ABM SERVICES FOR PARKING MANAGEMENT SERVICES AT THE THIRD AVENUE PARKING GARAGE was read by Mr. Cohen and considered by the Board.

Mr. Onorato advised that this was a professional services contract, not a low bid one, and said we are recommending awarding it to ABM Services. He advised that we received two proposals and the one from Executive did not meet all of the requirements and its operational format did not include any money for vacation or overtime pay, had a miscalculation on city payroll tax and as it has no presence in Pittsburgh, did not acknowledge who its Pittsburgh team would be as specified as a requirement in the RFP. He noted they advised that they would address that portion if they were awarded the contract. Mr. Onorato advised that ABM's operational expense is slightly higher but said it did lower their management fee back to their 2014 rate so it won't be until 2022 that they will reach the rate that they are at today. He added that ABM, Third Avenue's current operator, has managed the garage for five years and said we are pleased with their performance.

Ms. Qureshi asked if this is the only facility that the Parking Authority owns that is not managed by the Parking Authority and if so, why.

Mr. Onorato replied that it is the only Authority-owned facility not managed by the Authority. He stated that if we were to bring it in-house it would cost the Authority more to run it and it would also be required to be operated as a union shop.

Ms. Qureshi asked if the \$1.3M is the total cost for three years or is it annual.

Mr. Onorato stated that it is the total cost for three years plus reimbursements.

Ms. Qureshi asked what the reimbursements are.

Mr. Onorato stated that they are \$27,000 a year to run the garage but said that reimbursements are items such as the costs for elevators and meeting the terms of the revenue control agreement.

Mr. Barron asked if we had done an analysis on what it would cost for us to bring this garage in-house.

Mr. Onorato stated that the cost would be significantly higher and said that we could repeat the analysis and report our findings to the Board.

Mr. Conner added that ABM submits monthly receipts each month for all reimbursables, including items such as telephone and, insurance costs, payroll, taxes, ticket fees, etc.

Ms. Qureshi asked if the staff is getting a living wage.

Mr. Onorato confirmed that they are.

Mr. Cohen stated that it is unusual for the Authority to only have one garage that they don't manage, and stated that if we were a private entity it would be advantageous for us to have all of our facility management work outsourced as there would be a bigger profit made. He cautioned that he is not suggesting this approach as we are a public agency.

Ms. Oliphant asked how this situation even began.

Mr. Onorato replied that this arrangement dates back to when a strike occurred at the facility in 2005 and advised that Alco Parking managed this facility for us. He reported that because they chose to cross a worker picket line, the union disassociated itself from them. He said when the strike was over, the union didn't want any part of that management group.

Mr. Cohen asked why ABM could run the garage more efficiently and if they were based in Pittsburgh.

Mr. Onorato advised that efficient is probably the wrong word, that they can run the garage more cost-efficiently. He advised that he believes the firm's headquarters is in Pittsburgh but added that it manages garages country wide.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Mr. Barron, Resolution No. 16 of 2019 was tabled as follows: Ms. Qureshi, yes; Ms. Oliphant, yes; Mr. Barron, yes; Mr. Cohen, yes.

OLD/NEW BUSINESS

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

There were none.

The next Board meeting is scheduled for Thursday May 16, 2019 at 10:00 a.m.

The meeting was adjourned at 11:31 am with all Board Members in approval.

APPROVED TO CONTENT

Chairman

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

Approval