

**MINUTES OF THE REGULAR MEETING OF THE
PUBLIC PARKING AUTHORITY OF PITTSBURGH
THURSDAY JULY 19, 2012**

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 July 19, 2012 at 10:16 a.m., 232 Boulevard of the Allies, Pittsburgh, PA 15222-1616. The following Board members were present at the start of the meeting: Linda Judson, Gabe Mazefsky, Natalia Rudiak and Christopher D'Addario. Present from staff were: David Onorato, Anthony Boule, Christopher Speers, Judi DeVito, Chris Holt, Patricia Konesky, Janet Staab, Bill Conner and Helen Kain. Jacqui Lazo of Buchanan Ingersoll & Rooney. Also present were Jacqui Lazo of Buchanan Ingersoll & Rooney, William Stewart of Strategic Communications; Joe Smydo of the Pittsburgh Post Gazette; Lois McCafferty of the Brookline Chamber of Commerce and South Pittsburgh Development Corporation, Bob Bauder of the Pittsburgh Tribune Review and Frederick Winkler, architect.

MINUTES

Ms. Judson asked for approval of the minutes from the regular meeting held on June 21, 2012.

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

PUBLIC COMMENT

Ms. Judson asked for public comments.

Ms. McCafferty addressed the Board, stating that she resides in Brookline and requested that her testimony be recorded. She advised that she is a Board member of both the South Pittsburgh Development Corporation and the Brookline Chamber of Commerce and has worked as a community liaison with the City's engineers and project managers on the Brookline Boulevard improvement project. She stated that she is speaking today on behalf of the residents, community groups and the business owners of Brookline, the second largest community in the City of Pittsburgh. She stated that, as the Brookline Boulevard improvement project moves forward toward a scheduled start date of early spring 2013, she would like to see the Parking Authority also move forward with plans to install pay stations on Brookline Boulevard to replace the existing stationary meters. Ms. McCafferty stated that a financial analysis of the choice between meters and pay stations would reveal that pay stations on Brookline Boulevard are a better choice for the Parking Authority. She stated they are a better choice because pay station areas generate significantly greater cash collection than metered areas, are more aesthetically pleasing to the business community and require less overall

maintenance because of the improved technology they employ. She thanked the PPAP and its Board president on behalf of Brookline residents groups and its business districts.

Ms. Judson thanked Ms. McCafferty for attending and assured her that the Board will take her recommendations under advisement.

Ms. Judson asked if there were any additional questions and/or comments.

There were none.

RESOLUTIONS

RESOLUTION NO. 28 OF JULY 2012, "A RESOLUTION OF THE PUBLIC PARKING AUTHORITY OF PITTSBURGH REPEALING THE EXISTING AMENDED AND RESTATED BYLAWS OF THE AUTHORITY AND ADOPTING SECOND AMENDED AND RESTATED BYLAWS, was read by Mr. D'Addario and considered by the Board.

Ms. Rudiak stated that she is aware that this topic has been discussed in the past and said she realizes that the Parking Authority By-Laws are outdated and is not even aware when they were adopted. She said she is aware that there have been some draft emails distributed recently but, because she would like to better review the draft before she makes any decisions, asked that a hold be placed on voting until the next Board meeting to allow additional time for review.

The motion to consider Resolution 28 was made by Ms. Rudiak and seconded by Mr. D'Addario.

Ms. Judson asked if there were any questions or comments.

There were none.

The motion to hold Resolution No. 28 of 2012 by Ms. Rudiak was seconded by Mr. Mazefsky and approved as follows: Ms. Rudiak, yes; Mr. D'Addario, yes; Mr. Mazefsky, yes; Ms. Judson, yes.

RESOLUTION NO. 29 OF JULY 2012, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO PURCHASE EIGHT (8) EXPRESSPARC EXIT STATIONS FROM PSX GROUP NECESSARY TO ENABLE PSX-SERVICED FACILITIES FOR CREDIT CARD PROCESSING AT ALL EXITS, was read by Mr. D'Addario and considered by the Board.

Mr. Onorato advised the Board that currently half of the revenue control equipment in our facilities is operated by PSX and half by CTR Systems, adding that all of the CTR-operated revenue control equipment includes exit stations that allow credit card payments at the exit lanes of the facilities involved. He reported that the older software and equipment at the PSX-operated facilities do not allow for this amenity and said this resolution is asking for permission to upgrade the hardware and portions of the software that would enable the pay stations at exit lanes in the Ninth and Penn, Third Avenue, Wood-Allies and Forbes/Semple facilities to accept credit card payments. Mr. Onorato noted that the Shadyside garage also has PSX revenue control equipment but reminded the Board that a recent upgrade of the revenue control equipment at this facility eliminated the need for any further upgrades at this time. He advised that the upgrade covered by this resolution will also ensure that the Authority is in compliance with credit card industry acceptance requirements and was included in our Capital Improvement budget at a cost not to exceed \$200,000.00.

Mr. Speers added that this upgrade has really improved the customer service at the CTR facilities as it provides an additional payment option for patrons. He noted that it will help in locations such as Smithfield/Liberty where there are three spaces dedicated as pull-out lanes for vehicles of patrons who had not visited the pay station to pay for parking before returning to their vehicles.

Ms. Judson noted that she personally observed this same situation at the Grant Street Transportation Center where customers exiting the facility are given the option right at the exit lane to pay by credit card. She said she believes this is a good, well-received service.

Mr. Mazefsky inquired if we are able to confirm when this equipment would be installed.

Mr. Speers stated that there is a four-to-six week window for delivery of equipment and said he anticipates installation to be completed by the end of September or the beginning of October.

Ms. Judson asked if there were any questions or comments.

There were none.

Upon motion by Ms. Rudiak and seconded by Mr. Mazefsky, Resolution No. 29 of 2012 was approved as follows: Ms. Rudiak, yes; Mr. D'Addario, yes; Mr. Mazefsky, yes; Ms. Judson, yes.

RESOLUTION NO. 30 OF JULY 2012, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO APPROVE A CHANGE ORDER TO CARL WALKER CONSTRUCTION FOR REPAIR AND PREVENTIVE MAINTENANCE AT SMITHFIELD-LIBERTY PARKING GARAGE, was read by Mr. D'Addario and considered by the Board.

Mr. Onorato advised that Carl Walker Construction is performing the deck repairs at the Smithfield/Liberty garage and identified during these repairs that an additional drain would be needed to eliminate ponding and preserve the concrete and the membrane. He advised that this change order is directly related to the installation and costs of the materials for a new drain. He reported that the cost of the change order is \$3,196, which represents approximately .4 percent of the original \$759,000 contract total.

Ms. Judson asked if there were any questions or comments.

There were none.

Upon motion by Mr. D'Addario and seconded by Ms. Rudiak, Resolution No 30 of 2012 was approved as follows: Ms. Rudiak, yes; Mr. D'Addario, yes; Mr. Mazefsky, yes; Judson, yes.

RESOLUTION NO. 31 OF JULY 2012, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ISSUE A REQUEST FOR PROPOSALS TO RETAIN A FINANCIAL ADVISOR (F.A.) TO PROVIDE CERTAIN FINANCIAL SERVICES AND PRODUCTS TO THE PPAP, was read by Mr. D'Addario and considered by the Board.

Mr. Onorato advised that this a continuation of our on-going process of scheduling and completing a structural analysis of all the sites. He advised that the Authority would like to issue an RFP for a Financial Advisor to provide expert advice on the Authority's current financial situation in order to use this services going forward to determine if and when a bond issue is needed as well to help to formulate the team to issue the bonds. He advised that this is a first step that is in the very early in the process.

Ms. Rudiak asked the timeline for obtaining a Financial Advisor.

Mr. Onorato advised that the RFQ will be issued within two weeks and said that he anticipates four to six weeks for bids to be submitted and the agreement signed.

Ms. Rudiak asked what Capital Budget plan they would be referencing.

Mr. Onorato advised that this would be the potential additional garage at the former Saks site, should that deal go through, and said that if that does not materialize in our 2012 Capital Budget, our 10-year budget includes plans to replace our Ninth and Penn Garage. He noted that the Authority would be able to fund only one of those garage projects at a time and stated he believed that the Financial Advisors' findings would support the PPAP's projection that it could not fund two new garage facilities being constructed simultaneously.

Ms. Rudiak asked if this would be for the erection of new garages and not necessarily the replacement of an existing garage.

Mr. Onorato stated that it would either be for a new garage or the total demolition and

replacement of a current garage.

Ms. Rudiak asked if the Ninth and Penn garage was the one determined to be in the most need of replacement.

Mr. Onorato confirmed that it was.

Ms. Rudiak asked if the former Saks site was to materialize, if we know how quickly we would need to retain the Financial Advisor. She also inquired on the timeline for replacing the Ninth and Penn garage.

Mr. Onorato advised that if the Saks deal doesn't materialize he anticipates starting the Ninth and Penn project within the next 12 to 18 months, with the first step being the securing of financing. He said that once the financing is secured the RFP's would be issued for demolition and said the estimation was from 18 to 24 months for demolition and construction.

Ms. Rudiak asked if the Saks deal does go through, if the Ninth and Penn project would be placed on hold.

Mr. Onorato advised that it would go on hold and we would probably need to reevaluate our 10-year plan and put additional Capital repair funds into our budget for in order to extend Ninth and Penn's useful life.

Mr. D'Addario asked if there has been any other conversation about leaving the Ninth and Penn garage in place and looking for a space close to that garage, such as Cultural Trust property.

Mr. Onorato advised that Mr. Mazefsky has reached out to the Cultural Trust and, once our plan has been formulated, we will most likely contact them to share our plans and see if they have any options or recommendations that would benefit both organizations.

Mr. Mazefsky stated that the Parking Authority has capital needs on the horizon and by retaining a Financial Advisor, we would be attempting to get a determination as to what current revenue streams could support in terms of new construction at either the Saks site, Ninth and Penn or elsewhere. He stated that this process is more about determining that revenue resource than ranking whatever project we are looking at going forward.

Mr. Onorato confirmed that the process is to gauge our ability to issue debt and, if not, To determine the steps we need to take to be able to issue debt, such as rate increases across the board or increasing supply while still being able to meet our required debt service coverage.

Ms. Rudiak asked a ballpark estimate to construct the Saks site.

Mr. Onorato stated the cost would vary depending on the design, adding that conservative estimates are \$35,000 per subsurface space and \$25,000 per space above ground. He noted that we would like to see a structure with at least 700 spaces and said it hasn't been determined yet if that site is even useable. He stated that the due diligence currently in process will determine the site's suitability.

Ms. Lazo noted that the cost of the construction would be similar for any new garage, subsurface vs. above surface, and said the issue for the Parking Authority is that we know we have capital needs that include the building of a new or replacement garage. She said this is the first step in a process of how best to proceed by getting a handle of our capacity to take on debt.

Ms. Lazo said this step is required under the bond documents and said the PPAP cannot acquire any additional debt without doing so, noting again that this is the beginning of a general evaluation that is not linked to any specific project.

Ms. Rudiak stated she recalled that in the past that there had been studies completed about the Parking Authority's capital needs, such as during the privatization process.

Mr. Onorato confirmed that there had been studies, but stated that none of them were commissioned by the Authority and their findings were never shared with the Authority. He stated that Desman Associates completed assessments of four of the Authority garages approximately one year ago and, based on that report, we proceeded with the repairs at the Ft. Duquesne and Sixth garage.

Ms. Rudiak stated that the Desman report would be the starting point that we are using as a basis for repairs. She asked what garages are being repaired based on their report.

Mr. Onorato stated that currently Smithfield/Liberty and Ft. Duquesne and Sixth are under Construction as a result of the report's findings.

Ms. Rudiak asked if the Ninth and Penn garage was identified in the report.

Mr. Onorato confirmed that it was but stated that the Authority plan is to delay placing significant money into the facility for repairs until it is determined if it will be demolished within the next 12 to 18 months. He noted, however, that that may change going forward based on our Capital Budget.

Ms. Rudiak asked if there was a fourth facility identified.

Mr. Onorato advised that the Third Avenue garage was also evaluated.

Ms. Rudiak asked how the evaluation of that facility fared.

Mr. Onorato stated that it needs its work as well but, compared to the other three facilities, it ranked least in repair priority.

Ms. Rudiak asked if there was any immediate danger to the public at that facility.

Mr. Onorato stated that there has never any danger to the public at any of those four facilities and said it is our actions that keep them sound going forward. He reported that they are structurally sound, but will require continual work to maintain their integrity.

Ms. Judson asked if there were any questions or comments.

There were none.

Upon motion by Mr. Mazefsky and seconded by Ms. Rudiak, Resolution No 31 of 2012 was approved as follows: Ms. Rudiak, yes; Mr. D'Addario, yes; Mr. Mazefsky, yes; Judson, yes.

EXECUTIVE DIRECTOR'S REPORT

Mr. Onorato updated the Board on the current meter upgrade project and noted we are well into the process and anticipate installing 12 new meters, to cover five or six North Shore streets in the new few days. He said these machines will replace all of the single space meters in that area. Mr. Onorato advised that the ribbon-cutting ceremony is scheduled for next Thursday, July 26 at 12:30 and extended an invitation to all Board members to attend. He noted that 12 of the new machines are scheduled to be installed tomorrow and said he anticipates delivery of the next shipment of machines at the end of the month, followed by three more shipments within a few weeks after that. He noted that the Authority is ahead of schedule on the installation process and said the new machines will be programmed and ready to install immediately upon their arrival.

Mr. Onorato advised the Board on the Authority's action regarding the request from the owner of Alla-Familiga restaurant to purchase the lot on Warrington Avenue. He stated that a formal response letter was sent outlining the proper process that was required for purchasing property from the Authority and stated that we are waiting for a response.

Mr. Onorato distributed photos of the on-going repair work currently underway at the Smithfield-Liberty and Ft. Duquesne and Sixth Street garages. He advised that the work is moving along as planned and said the Ft. Duquesne and Sixth Street garage repairs are scheduled to be completed in April 2013 and the Smithfield/Liberty garage repairs are scheduled to be completed in November 2012.

Mr. Mazefsky asked if spaces would be brought back into service during the interim or would be out of service for the entire length of the project.

Mr. Onorato advised that the work is a moving target and space availability will be adjusted as it progresses. He noted that Smithfield/Liberty currently has approximately 150 spaces per day out of service while Ft. Duquesne and Sixth Street is short approximately 228 spaces per day. He noted this will increase or decrease depending on specific work location and any disrupting weather conditions that may be encountered.

Mr. Onorato advised that the final draft of the rate analysis that the Authority had conducted is expected to be received any day and said he will circulate that to the Board next week. He advised that meetings could be scheduled if any Board member or members would like to discuss the report and its findings.

Mr. Onorato advised that in September 2011, the Board authorized the software upgrade to allow credit card payments to be accepted at the exit stations at the Forbes Semple, Third Avenue, Ninth and Penn, Wood-Allies and Shadyside garages, all of which employ PSX equipment. He noted that because of the change in the fiscal year, while the money was in the budget, the work was not completed. He advised that this software purchase will be completed and installed in the new hardware that was approved earlier in the meeting. He repeated that the cost allocated for those four facilities is \$125,000, including computers for the cashier stations, where credit card payment would be adopted as well. Mr. Onorato advised that the customers will benefit from this new software through a resulting decrease in transaction time.

Mr. Onorato advised that the contract for the parking trial in our East Liberty lots was signed. He advised that this pilot program was to entice long-term parkers to utilize our lots to free up more on-street metered parking. He reported that the rates in the lots were lowered, the appropriate signage installed and said the program will run through January 1, 2013. He advised that the Board would be briefed on parking activity levels as the trial period progresses.

Mr. Onorato circulated an appreciation letter that was received from Venture Outdoors recognizing the Parking Services department for its assistance during their event.

Ms. Judson commented that the brochure that was developed for the meter ceremony was very nice and asked if it was developed by an outside firm.

Mr. Onorato advised that it was all done in-house under the direction of Anthony Boule.

Mr. Onorato distributed each Board member a key chain and fob that was also developed to record license plate numbers for reference at the CALE machines. He advised that you are able to write your license plate number on the chain attachment so it is easily available upon customers' arrival at the machine.

Ms. Rudiak inquired how the public would be able to obtain these key chains.

Mr. Onorato advised that we will be distributing them through various organizations, businesses, schools and on-street locations where the meters are installed.

Ms. Judson asked if the Parking Authority was organizing the event.

Mr. Boule responded that we are spearheading the event but have commitments from businesses to participate.

Ms. Judson commented that this is such a wonderful venture and wanted to again express her excitement that the Authority is the first city in the United States to implement the pay-by-plate technology on a level far exceeding pilot programs established elsewhere.

Mr. Onorato asked if there were any additional question regarding the monthly reports.

There were none.

OLD/NEW BUSINESS

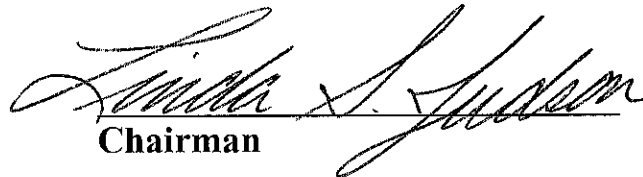
Ms. Judson asked if there were any questions.

There were none.

The next Board meeting is scheduled for Thursday, July 19, 2012 at 10:00 a.m.

Upon motion by Ms. Rudiak seconded by Mr. D'Addario the meeting was adjourned at a.m.

APPROVED TO CONTENT


Chairman

ACCEPTED FOR FILING IN THE AUTHORITY'S BOOK OF MINUTES

Approval

