

**MINUTES OF THE REGULAR MEETING OF THE
PUBLIC PARKING AUTHORITY OF PITTSBURGH
THURSDAY, JANUARY 16, 2020**

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 10:04 a.m. on January 16, 2020 at 232 Boulevard of the Allies, Pittsburgh, PA 15222-1616. The following Board members were present at the start of the meeting: Jeff Cohen, Cathy Qureshi, Matt Barron and Erika Strassburger. Present from staff were: David Onorato, Christopher Speers, Chris Holt, Gwendolyn Bolden, Jo-Ann Williams, Mark DiNatale, Philip Savino, Janet Staab, Tracy Sowinski, Deb Kerestes, Bob Wilson and Pat Konesky. Also present was B. Lafe Metz of Buchanan Ingersoll; Jim Gibbs of Meter Feeder; Dr. Mark Sakino and Roman Kyshakevich of Allegheny Geoquest; Alicia Carberry of the City of Pittsburgh and William Stewart of Strategic Communications.

ELECTION OF OFFICERS

Mr. Cohen asked for nominations for 2020's Board positions. Ms. Qureshi moved retention of the existing slate for discussion. Mr. Barron suggested that there be no changes in positions and Ms. Strassburger agreed.

Upon motion by Ms. Qureshi and seconded by Ms. Strassburger, the slate of Mr. Cohen as Chairman; Mr. Barron as Vice Chair; Ms. Qureshi as Secretary; Ms. Oliphant as Treasurer; Ms. Strassburger as Member; Ms. Oliphant as Assistant Secretary and Mr. Onorato as Assistant Treasurer remained unchanged. The vote was as follows: Ms. Qureshi, yes; Mr. Barron, yes; Ms. Strassburger, yes; Mr. Cohen, yes.

Mr. Cohen stated that he appreciates the support and effort of the Board and stated that it is a pleasure to work with fellow members who all care deeply about the Authority.

MINUTES

Mr. Cohen asked for approval of the minutes from the November 20, 2019 meeting.

Upon motion by Mr. Barron and seconded by Ms. Qureshi, the minutes were approved as follows: Ms. Qureshi, yes; Mr. Barron, yes; Ms. Strassburger, 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 razing of our site is completed and demolition of the Duff Building is currently underway and expected to be completed by the end of March. He also advised that the Board of a meeting on January 22nd to share the design of the building and its rooftop with the Pittsburgh Downtown Partnership and community groups. He reported that we are working with the City to obtain the necessary permits and anticipate being on the City Planning Commission's February 4th agenda for that purpose.

Mr. Onorato advised that the Mon Wharf was closed three full and five partial days in December due to flooding, adding that in calendar year 2019 Wharf closings totaled 11 full days and 52 partial ones. He said that 2019's closures were an improvement over the previous two years.

Mr. Onorato advised that the lighting upgrade, begun in 2018 and now completed, produced electrical savings to date of \$155,000 and does not yet reflect a full year of change. He advised that the savings expressed in kilowatt hours is approximately 2.2 million hours.

Mr. Cohen asked if the Authority was negotiating the electrical rates and asked if we know our current rate.

Mr. Onorato responded that the Parking Authority joined the City and other City Authorities in a volume rate group in order to receive a volume discount rate. He said he will share the results of that collaboration with the Board at a later date.

Mr. Onorato advised that there will be two weekend electrical service shutdowns of the Ft. Duquesne and Sixth Street Garage in order to replace two electrical vaults at that facility. He advised that the first will occur from January 31 through February 2 and the second being February 21 through the 23rd. He advised that we have notified the City, all of our lease customers and our retail tenants of the closures and said we will be issuing a news release closer to the affected dates.

Ms. Qureshi asked if the Authority had ever had a complete garage closure.

Mr. Holt responded that we did have one at the Smithfield/Liberty location when the public space improvement was underway.

Mr. Onorato advised that the projected payment to the City from 2019 operations is estimated to exceed \$29 million.

Mr. Onorato updated the Board that, beginning next week, we will be eliminating the use of coins as payment for our downtown meters, limiting payments to credit/debit cards and the phone app.

He advised that we will monitor the public reaction to the change and said it will be taken into account before we commit to any large-scale upgrades or replacement of the meters.

Ms. Qureshi stated that cash is the friend of the disenfranchised who have not had a voice in our action may not be parking downtown. She noted that the Board should take into account that not everyone has a credit card or a phone.

Mr. Onorato advised that the change was implemented because the meters involved were all priced at \$4.00 per hour, requiring a significant amount of quarters to park for any length of time.

Mr. Barron asked if the Authority had reports documenting the amount of coins being used in meters.

Mr. Onorato responded that Authority does track and monitor payment usage, adding that just six percent of 2019's total meter revenues were paid in quarters.

Mr. Cohen asked if there was some sort of rechargeable card that our patrons could purchase for their meter payments.

Ms. Strassburger added that it is something we would need to explore, perhaps together with the Port Authority and other modes of transportation, to aggregate payment recipients on one card. She said while that could be the ideal solution, it is not a conversation that the Board should have at this time.

Mr. Barron advised that the Port Authority is actually looking at new vendors for its services so it might be a good time to have a conversation with them. He stated that he is aware that the technology that the Ms. Strassburger mentioned does exist and other major cities have it.

Mr. Onorato advised that at one time the Authority did have a pre-paid meter card but said its use became a reconciliation issue because the Authority could not recognize the revenue involved until it was actually received and therefore remained in an escrow bank account for years. He stated that there are benefits to such a program but noted that there are also downsides from an operational standpoint.

Mr. Cohen stated that these meters should be evaluated for approximately 90 days, adding that once the weather changes there may be a change in usage patterns. He also stated that we want to reach out to Parkmobile to do more promotions for our app.

Mr. Onorato advised the Board that the Parking Authority hosted a delegation from Youngstown Ohio, including the Mayor, to review the operation of our meter system. He said the group was very impressed with our operations, then concluded its stay with a visit to Mayor Peduto.

Mr. Onorato discussed the Finance Report, stating that in closing out 2019, revenues were found to be down approximately one percent. He noted that compared to budget and accounting for our lost garage spaces that were operative in 2018, we were up three percent for the year. He noted that this trend applies also to individual line items measuring garage receipts as well as the on-street meter and meter receipts, down for the year to year but up year versus budget. He advised that both year-to-date and year-to-budget comparisons of expense performances are slightly down.

Mr. Cohen noted that reports indicate that the Authority saved \$100,000 on health benefits and asked how that was obtained.

Mr. Onorato responded that the Authority received a loyalty benefit from Highmark.

Mr. Onorato discussed the Facility Reports, indicating that they show the same trend as the Finance Reports. He stated that with Ninth and Penn included we are breaking even, but when its removed we are up about six percent. He stated that Wood/Allies revenues are down as a result of the water main break on the Boulevard of the Allies that closed the street and limited access to our facility.

Ms. Strassburger inquired if the sink hole that occurred in the Cultural District affected the Parking Authority locations.

Mr. Onorato replied that it did not have any effect on our garages located in the Cultural District.

Ms. Qureshi asked where the displaced Ninth and Penn parkers were going.

Mr. Onorato advised that the lease customers were relocated into our existing garages, mostly at Grant Street and Smithfield/Liberty. He said transient parkers found their way both to Authority locations and private sector providers.

Ms. Strassburger asked if there was any public reaction to the November rate increase.

Mr. Speers advised that a slight drop in utilization occurred initially but said volume has returned to its previous level.

Ms. Qureshi stated she believes that the majority of garage parkers are business people and not many are day-to-day transient parkers.

Mr. Onorato advised that the City recently published a report on the parking effects of construction in the Strip District, noting that the report's recommendation was that the street meter rates in the heart of the Strip District, on Penn, needed to be higher in order to create availability. He advised that we may look at that more closely as the year progresses.

Mr. Onorato discussed the Enforcement Report, advising that ticket issuance has increased from last year in every category, with meter violations being most prevalent. He noted that meter revenue has increased consistently since 2012 with the exception of one quarter during that period. He advised that lot lease revenue is down, attributing it to the loss of parking in the East Liberty area where one lot was sold to the URA and substantial development is occurring. He advised that we are seeing an increase in customer calls concerning parking in that area but have no options for the displaced parkers until development, including a garage, is complete.

Mr. Cohen stated that he does not like raising rates but said he does feel that we should not wait long periods of time between increases. He asked that our Finance Department do an analysis.

Mr. Barron stated that if there are areas that are getting close to 100-percent utilization during

prime hours, he feels that it's worth a look at raising rates. He noted that studies show that a small increase can actually be good for business district because it gets people in and out faster. He stated it would be best to implement small increases over time rather than one large increase.

Ms. Qureshi asked if street meter revenue goes to the City.

Mr. Onorato responded that the Co-Op Agreement states the Authority keeps the first \$4.6 million. He noted that we do not pay taxes on the street meters, but we do pay taxes on those in lots. He advised that we would need to make a recommendation to the City Finance Director to request any increase in meter rates.

Ms. Williams added that the Authority is able to recover the costs of multi-space meter maintenance fees and credit card fees. She said that after that it goes into the City's share of street meter revenue and is part of the calculation of the \$18.5 million cap. Ms. Williams said that anything beyond the cap level is shared at 50-50 in combination with street meter, Parking Court, Wharf, Co-Op and any other payments to the City excluding parking tax.

Ms. Strassburger commented that she does believe that this issue should be explored further but noted that she believed that any potential increase should not be implemented city-wide. She also stated that she is interested in exploring demand pricing in those areas where metered parking is at a premium. She noted that Oakland was one of the areas she had in mind and wanted to know if anyone from the Authority was communicating with the community groups in that area.

Mr. Onorato stated that City Council gave us authorization to increase meter rates by a quarter at a time. He reported that Ms. Bolden has been attending the Oakland Block Watch meetings on a regular basis but has not been invited to attend any planning meetings.

Ms. Strassburger stated that her office would connect Ms. Bolden with the appropriate representatives of the planning office.

Mr. Onorato discussed the Parking Court Report, advising that revenues are also up from last year, attributing the increase to the number of tickets issued and advising the revenue reported represents fines paid. He advised that expenses decreased for the year also and projected the City share of 2019 revenue to be \$8.6 million.

Mr. Cohen asked if it would be more beneficial financially for the Parking Authority to manage the Parking Court Operations as we always need to be looking for areas to reduce costs.

Mr. Onorato advised that the Authority paid less for the Court's function in 2019 than in 2018 and said that he has not looked to bring this operation in-house. He noted that the Court vendor has the appropriate software and is tied into the State's system for registration information.

Mr. Onorato discussed the MBE/WBE Report, advising that we track our MBE/WBE participation on all of our contracts and in total our current levels are at 19 percent MBE and seven percent WBE. He reminded the Board that our goals are 25/10, MBE/WBE participation.

Mr. Barron asked if the Authority has any ability to track participation levels and hold vendors accountable for their projected ratios.

Mr. Onorato stated that our participation rate is a goal, not a requirement, but that we do try to hold the vendor to their projected participation levels.

Mr. Cohen asked if we do question vendors if their projected numbers are not being met.

Mr. Holt advised that we do vet this out as well as to make sure that the contractor understands the scope of work.

Ms. Qureshi spoke about the Ninth and Penn project, in particular, where Dore and Associates projected that 20 percent of its contract would be MWBE and actually named its vendors and assignments. Noting that only \$190 has gone to minority providers to date, she asked if that was because of the stage of the work and those vendors were yet to be involved.

Mr. Holt advised that the scope of work changed, particularly the expectation that minority vendors would haul away the demolished material. He said that when it was decided to leave some of the material behind to use as fill, there was less need for some of the projected subcontractors, obviously decreasing the level of minority participation. Mr. Holt also advised that in the past he has withheld payment on projects where a vendor did not have enough minority participation. He stated that the Authority has an opportunity with Ninth and Penn to reach out to minority vendor but noted that with some projects requiring large components of specialized work, it is sometimes difficult to find minority qualified vendors.

Ms. Strassburger added that it might be helpful for the Board to have the minority participation projections at the time resolutions are presented. She noted that she is aware that other Authorities issue a RFI or RFQ prior to their RFP to see who is qualified for the work. She noted that another one of the challenges in employing small businesses is the time it takes public sector agencies to process payments. She said that delay is sometimes a prohibiting factor.

Mr. Onorato advised that payment delay is not an issue here at the Authority. He noted that we are currently working with the City on a new program that lists all of our anticipated RFP's in advance of projects so that potential vendors, including minorities, can examine them and determine if they desire or are able to bid for the work.

Mr. DiNatale stated that he is aware from attending Allegheny Conference meetings that the amount of on-going construction in the region it may make it difficult to find minority vendors because of conflicting project timelines.

Ms. Qureshi stated that she believes it is easier to read financial reports without the inclusion of cents figures. She asked that, going forward, we report in whole dollars only.

Mr. Onorato discussed the Utilization Report which shows that eight of our garages are consistently over 90-percent full, with Second Avenue, Mon Wharf and Ft. Duquesne and Sixth not in that category. He noted that we know why those facilities are

not at full capacity, namely the flooding at the Mon Wharf, the 10th Street Bridge work that affects Second Avenue and the continued renovation at the Ft. Duquesne and Sixth Garage.

Mr. Onorato discussed the Downtown Housing Lease Report, stating that the number issued increased from last year with the majority being placed at Grant Street. He stated that these leases are discounted by the parking tax.

Mr. Cohen asked if the Authority does any type of advertising for these leases, stating that this is guaranteed money.

Mr. Speers replied that while there has not been any advertising, the Authority has increased the total amount of these leases significantly over the last few years. He noted that we need to pay attention to see if these leases result in just storing vehicles or if spaces are being freed up by their movement in and out every day.

Mr. Cohen agreed and stated that we should consider increasing rates or adding a surcharge for those vehicles that are just being stored in the garage and reduced the possibility of the turnover for that space. He stated that the Authority should be looking for different ways to increase revenue in the garages.

Mr. Onorato discussed the Meter Revenue Report, which shows the payment breakdown by the type of meter payment, coin, phone-app and credit card.

Mr. Onorato discussed the Pay-by-Phone Report, which shows that mobile transactions was \$3.7 million for 2019 with an average transaction price of \$2.69, or 34 cents higher than the average payment at the meter. He advised that there were approximately 6,500 downloads of the application during December for a yearly total of 79,000. He advised that in January, 37,000 customers added time to their parking transactions while the 2019 yearly total of additions was 461,000.

Mr. Cohen stated that he would recommend that the Authority should look again to renegotiate its credit card fees.

Ms. Williams responded that we are tied into the interchange rate, that every individual credit card bank has its own fee structure per transaction. She advised that our transaction fee with PNC is only five cents per transaction.

Mr. DiNatale stated that there is nothing we can do on the interchange rate but said we have spoken to other vendors and we still believe that PNC's five-cent-per-transaction rate is the best for us at this time.

RESOLUTION NO. 1 OF JANUARY 2020, "A RESOLUTION AUTHORIZING THE PUBLIC PARKING AUTHORITY OF PITTSBURGH'S BANK ACCOUNTS FOR THE 2020 CALENDAR YEAR, was read by Mr. Cohen and considered by the Board.

Mr. Onorato advised that in addition to our Trust accounts at the Bank of New York Mellon, we have 11 accounts at PNC. He said we are seeking authorization to continue using those through 2020.

Mr. Cohen asked if the Authority is charged large fees on these accounts.

Ms. Williams replied that she does not believe that the fees we pay are significant and noted that we are on an account structure where we receive a credit interest for the value of the funds sitting in the account so it's essentially an offset.

Mr. Cohen stated that he would challenge PNC again regarding their fees. He also asked to see a summary of the fees that they are charging the Authority.

Mr. DiNatale responded that PNC is aware of our concern and said we will be meeting with them after the audit is complete. He stated that they will get a copy of the fee payments to the Board per Mr. Cohen's request.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Mr. Barron and seconded by Ms. Qureshi, Resolution No. 1 of 2020 was approved as follows: Ms. Qureshi, yes; Mr. Barron, yes; Ms. Strassburger, yes; Mr. Cohen, yes.

RESOLUTION NO. 2 OF JANUARY 2020, "A RESOLUTION RATIFYING AUTHORIZATION FOR THE EXECUTIVE DIRECTOR TO PURCHASE ONE NEW FLEET VEHICLE, A 2019 JEEP GRAND CHEROKEE SUV, FOR THE EXECUTIVE OFFICE FROM TRI STAR AUTO GROUP, INC., was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised that this resolution was scheduled to be on the agenda in December, but with the cancellation of that meeting, it now is on this month's agenda for ratification only as the purchase was completed before year end. He advised that we have 36 vehicles total in our fleet and this one will replace vehicle 962, a 1996 model with 97,000 miles. He advised that the vehicle he was driving recently was a 2006 model that was passed down within the Authority.

Ms. Qureshi summarized that the Executive Director got a new vehicle and the vehicle that he was driving was moved to another department and that vehicle is the one that will be sold at auction. She described that as a very logical sequence of use.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Mr. Barron and seconded by Mr. Cohen, Resolution No. 2 of 2020 was approved as follows: Ms. Qureshi, yes; Mr. Barron, yes; Ms. Strassburger, yes; Mr. Cohen, yes.

RESOLUTION NO. 3 OF JANUARY 2020, “A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO UTILIZE ASPHALT MAINTENANCE SERVICES FOR AUTHORITY-OPERATED GARAGES AND SURFACE LOTS WITH THE CITY OF PITTSBURGH/COUNTY OF ALLEGHENY CONTRACTS, was read by Ms. Strassburger and considered by the Board.

Mr. Onorato advised that the Authority budgeted \$75,000 in 2020 asphalt repair services for our garages and surface lots and said we are seeking authorization to piggy-back the purchases on existing City/County contracts. He stated this work would be on an as-needed basis and would not exceed \$75,000 in total, noting that if any project of more than \$25,000 would be brought to the Board. He noted that the majority of asphalt services would be in our surface lots.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Strassburger and seconded by Mr. Barron, Resolution No. 3 of 2020 was approved as follows: Ms. Qureshi, yes; Mr. Barron, yes; Ms. Strassburger, yes; Mr. Cohen, yes.

RESOLUTION NO. 4 OF JANUARY 2020, “A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO UTILIZE CONCRETE MAINTENANCE SERVICE FOR AUTHORITY-OPERATED GARAGES AND SURFACE LOTS WITH THE CITY OF PITTSBURGH/COUNTY OF ALLEGHENY CONTRACTS, was read by Mr. Barron and considered by the Board.

Mr. Onorato advised that this request is similar to the previous resolution but specifies concrete services, again on an as-needed basis and a not-to-exceed \$50,000 limit. He noted that our concrete purchases are used in lots for such areas as sidewalk, catch basin or curb repairs.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Qureshi and seconded by Mr. Cohen, Resolution No. 4 of 2020 was approved as follows: Ms. Qureshi, yes; Mr. Barron, yes; Ms. Strassburger, yes; Mr. Cohen, yes.

RESOLUTION NO. 5 OF JANUARY 2020, “A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO UTILIZE FUNDING FROM THE AUTHORITY’S FISCAL YEAR 2020 CAPITAL IMPROVEMENT BUDGET FOR UPGRADING AUTHORITY-OPERATED SURFACE LOTS IN THE CITY OF PITTSBURGH, was read by Mr. Cohen and considered by the Board.

Mr. Onorato advised that the Authority budgeted \$300,000 in its Capital Budget and, unlike the preceding two resolutions in today’s packet, this funding is for a specific location. He advised that every year we identify lots within our system that need to be upgraded, either partially or entirely, and said that depending on the amount of money required for repairs our focus can be on one or more than one lot. He advised that the money budgeted will come from the Parking Court Fund, a source committed for use in neighborhood locations.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Mr. Barron and seconded by Ms. Qureshi, Resolution No. 5 of 2020 was approved as follows: Ms. Qureshi, yes; Mr. Barron, yes; Ms. Strassburger, yes; Mr. Cohen, yes.

RESOLUTION NO. 6 OF JANUARY 2020, “A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO APPROVE A CHANGE ORDER AND FINAL PAYMENT TO NATHAN CONTRACTING, LP FOR THE MODERNIZATION OF EXHAUST SYSTEMS FOR MELLON SQUARE AND SHADYSIDE PARKING GARAGES, was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised that this work was for the exhaust system modernization at the two facilities and, with a few noise level issues at the Mellon Square now resolved, the work has been completed to our satisfaction. He noted that this project included 15-percent MBE and 47-WBE participation.

Ms. Strassburger stated that she actually heard from residents regarding the noise issue and she wanted to thank everyone for their efforts in resolving the issue.

Ms. Qureshi advised that the vendor actually met its MBE/WBE goals on this project. She also inquired what the deduction was for.

Mr. Holt responded that we had anticipated some structural work to be done wasn’t needed and therefore a credit was issued.

Mr. Cohen asked if the Authority transferred money from the 2019 Capital Fund to the 2020 Capital Fund.

Mr. Onorato responded that the money expended in 2019 was transferred into the Capital Fund Project to cover those costs.

Ms. Williams stated that we drew down the Board-authorized projects from the Trust and any that were below the \$25,000 threshold as actual expenditures and no additional amount. She noted that we will credit the payment back to the Trust for the amount we received and reduce the next drawdown by that total.

Mr. Cohen stated that it would be good to look at the Capital Expenses that we had planned and asked if he could see that data.

Ms. Williams responded that we do track that information and will get a copy to Mr. Cohen.

Mr. Cohen asked if there were any questions.

There were none.

Upon motion by Ms. Strassburger and seconded by Mr. Barron, Resolution No. 6 of 2020 was approved as follows: Ms. Qureshi, yes; Mr. Barron, yes; Ms. Strassburger, yes; Mr. Cohen, yes.

OLD BUSINESS

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

Mr. Cohen stated that in the past he has attended the International Parking and Mobility Institute's annual conference on behalf of the Authority and reported that Mr. Onorato will sworn in as the Chairman of the Board at this year's event. He said he recommends that other Board Members who would like to attend should arrange to do so now, adding that he views the networking and opportunity to connect with vendors as very worthwhile.

NEW BUSINESS

Mr. Cohen asked is there were any new business questions to discuss.

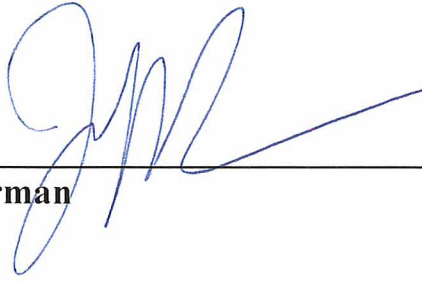
There was none.

The next Board meeting is scheduled for Thursday February 20, 2020 at 10:00 a.m.

The meeting was adjourned at 11:21 am with all Board Members in approval.

APPROVED TO CONTENT

Chairman

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

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Approval