

**MINUTES OF THE REGULAR MEETING OF THE
PUBLIC PARKING AUTHORITY OF PITTSBURGH
THURSDAY NOVEMBER 16, 2023**

Having been duly advertised in accordance with the Sunshine Act No. 84 of 1986, a virtual meeting of the Public Parking Authority of Pittsburgh was held at 10:05 a.m. on November 16, 2023. The following Board members were present at the start of the meeting: Bobby Palmosina, Sean Luther and Liz Fishback. Present from staff were David Onorato, Chris Holt, Scott McNaugher, David Perry, Matt Jendrzewski, Karla Howell, Jodi Hart, Anide Michel, Kathryn Van Why and Patricia Konesky. Also present were Nathan Clark of Buchanan, Ingersoll & Rooney, Mark McCall of Assured Partners, John Small, Alison Keating and a caller at 215-499-1334.

MINUTES

Ms. Fishback asked for approval of the minutes from the October 19, 2023, meeting.

Upon motion by Mr. Palmosina and seconded by Mr. Luther the minutes were approved as follows: Mr. Palmosina, yes; Mr. Luther, yes; Ms. Fishback, yes.

PUBLIC COMMENT

Ms. Fishback asked if there were any public comments.

There were none.

EXECUTIVE DIRECTOR'S REPORT

Mr. Onorato advised the Board that the Authority has been participating in a pilot program with WiseSight for stationary camera enforcement in two of our Southside lots and one in Observatory Hill. He stated that this pilot has been on-going for approximately eight to ten months and stated that the pilot has been running smoothly. He advised that based on the data we would like to take the pilot program live in the 18th and Carson and the Wharton Square lot. He advised that the agreement would require payment of \$2,000 per month, per lot for a six-month trial period and that the Authority would issue an RFP for this service after the six-month trial period.

Mr. Onorato advised the Board that the Authority is part of a consortium group for electricity supplies along with about 25 other communities in different boroughs, along with the City of Pittsburgh, PWSA, Sports and Exhibition Authority and the URA. He advised that we have a rate of .0709 per kilowatt hour. He advised that the group is issuing an amendment to extend through 2029 with a rate increase in 2025 to .075 per kilowatt hour.

Mr. Onorato discussed the Finance Report, stating that 2023 October revenues are \$4.2 million and the 2019 base year being \$5 million. He advised that 2023 year-to-date revenues through October are \$39 million compared to 2019 base year of \$48 million. He advised that we are still ahead of budget as we were conservative in estimating due to the uncertainty of parkers returning to work. He also discussed the second Finance Report which shows the same data noting that while revenues are heading in the right direction, we still have a way to go to get back to pre-pandemic levels. He stated that we do not believe that revenues will ever return to 100 percent pre-covid based on what we are seeing within the garages with Tuesdays, Wednesdays and Thursdays seeing the most activity. We experience lighter activity on Monday and Fridays.

Mr. Onorato discussed the Parking Services Garage Utilization Report, stating that revenues for October 2023 were \$2.3 million compared to \$2.1 million last year. He advised that three facilities are down in revenue, Forbes/Semple due to construction, Shadyside due to the decline in business on Walnut Street and Grant Street Transportation which still has the red garage closed. He also noted that Wood Allies Garage revenues have risen since last month due to the construction work on that facility being completed, however he did note that Wood-Allies year-to-date revenue is still in the red due to the construction.

Mr. Onorato discussed the Enforcement Report, stating that 18,900 tickets for the months with meter violations, residential permit violations and street cleaning violations accounting for eighty percent of the tickets issued. He advised that there were 194,000 tickets year-to-date compared to 176,000 during the same period last year and said that the enforcement officers are doing a really good job while noting that we are still short staffed with officers.

Mr. Onorato discussed the Meter Revenue Report, stating that meter revenues are returning a little more aggressively than garage revenues. He advised that October 2023 total revenue is \$1.6 million compared to 2019 base year of \$1.8 million. He stated that the number of leases are still significantly low, down about 70 leases in our neighborhood lots. He stated that the trend for lot leases is the same as garage leases in that with people not returning to work on a full five-day schedule, they are not in need of a monthly lease and therefore canceled their leases.

Mr. Onorato discussed the Parking Court Report, stating that it shows the same stating that through October revenues totaled \$8.3 million compared to \$6.8 million in the same time period last year, an increase of just over \$1.5 million in ticket fines collected.

Mr. Palmosina asked enforcement officers are currently on-staff and how many positions are budgeted.

Mr. Onorato responded that we currently have 20 full-time and 4 part-time officers and we are budgeted for a little over 30 combined. Mr. Onorato stated that an officer must be part time prior to becoming full-time and according to the union contract the number of part-time officers can never exceed the number of full-time officers. He stated that prior to Covid we had 20 full-time officers and 18 part-time officers.

RESOLUTION NO. 34 OF NOVEMBER 2023, “A RESOLUTION ADOPTING THE REGULARLY SCHEDULED PUBLIC PARKING AUTHORITY OF PITTSBURGH’S BOARD OF DIRECTOR’S MEETING DATES FOR 2024, was read by Ms. Fishback and considered by the Board.

Mr. Onorato asked that since the Board consists of new members, he wanted to make sure that this schedule is accommodating to everyone.

Ms. Fishback noted that she is aware that from time-to-time Mr. Wilson may have a conflict due to City Council’s schedule but mentioned that this was probably just an exception.

Ms. Fishback asked if the dates were checked to make sure that none of them falls on any major holiday.

Mr. Onorato confirmed that we did check and there are no conflicts.

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

There were none.

Upon motion by Mr. Palmosina and seconded by Mr. Luther, Resolution No. 34 of 2023 was approved as follows: Mr. Palmosina, yes; Mr. Luther, yes; Ms. Fishback, yes.

RESOLUTION NO. 35 OF NOVEMBER 2023, “A RESOLUTION ADOPTING THE GENERAL FUND, TRUSTEE REVENUE FUND AND CAPITAL ADDITIONS BUDGETS FOR FISCAL YEAR 2024 WHICH BEGINS ON JANUARY 1, 2024 AND ENDS ON DECEMBER 31, 2024, was read by Ms. Fishback and considered by the Board.

Mr. Onorato advised that staff met with Board Members separately, not violating the Sunshine Act, to review the proposed budget in detail. He advised that we are recommending a 2024 budget with an estimated \$47.3 million in operating revenues and of that 47.3 million, garage receipts will account for \$27 million or 57 percent of our revenue and meter receipts accounting for \$18.3 or 38 percent of our revenue. He stated that the garage and meter revenue account for

slightly over 96 percent of the gross total revenue. He advised that the total operating expenses will be \$29.7 million with the six largest line items in order are: payroll and benefits at \$9.2 million, parking tax \$7.7 million; security expense \$3.3 million; trustee bank fees \$2.3 million; utilities at \$1 million and multi-space meter maintenance at \$800,000. He advised that these six items account for 82 percent of expenses in the budget. He also noted that there is a requirement of retaining a 1.5 percent debt service coverage and our debt service ratio on the proposed budget would be 2.13 percent. He advised that we are presenting a Capital Budget of \$8.9 million with garage structural repairs of \$3.1 million, garage revenue control equipment upgrade of \$1.7 million and garage elevator replacement of \$700,000, which make up just under 70 percent of the capital expenses.

Ms. Fishback thanked the Authority staff for their hard work and dedication in preparing the budget and for educating the Board and making sure they understood the goals for the coming year.

Mr. Luther stated that he strongly agrees with Ms. Fishback and said it was great to see the team in action.

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

There were none.

Upon motion by Mr. Luther and seconded by Mr. Palmosina, Resolution No. 35 of 2023 was approved as follows: Mr. Palmosina, yes; Mr. Luther, yes; Ms. Fishback, yes.

RESOLUTION NO. 36 OF NOVEMBER 2023, “A RESOLUTION ADOPTING THE PITTSBURGH PARKING COURT BUDGET FOR FISCAL YEAR 2024 WHICH BEGINS ON JANUARY 1, 2024 AND ENDS ON DECEMBER 31, 2024, was read by Mr. Luther and considered by the Board.

Mr. Onorato advised that staff met with the Board members to discuss the budget in detail and as noted in the resolution this is the Parking Court Budget, which is prepared separately from the General Fund, which is intentional as the money from this fund is not dedicated to the Trust rather the net revenues are transferred to the City based on the Parking Court agreement in place with the City. He advised that in the proposed 2024 Parking Court budget have revenues of \$10.6 with expenses totaling just about \$3 million. He advised that the net revenue of \$7.5 would all go to the city based on the agreement. He advised that the agreement was amended in 2015 it was determined that the city receives 100 percent, and we anticipate the 2024 payment to the city, which includes Parking Court share. Parking tax, meter revenue sharing and Mon Wharf revenues to be projected to be \$23.4 million, which is slightly above last year’s approximate \$22 million.

Ms. Fishback thanked the team as it appears that we are getting closer to the 2019 pre-pandemic numbers.

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

There were none.

Upon motion by Ms. Fishback and seconded by Mr. Palmosina, Resolution No. 36 of 2023 was approved as follows: Mr. Palmosina, yes; Mr. Luther, yes; Ms. Fishback, yes.

RESOLUTION NO. 37 OF NOVEMBER 2023, “A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO APPROVE FINAL PAYMENT TO HUCKESTEIN MECHANICAL SERVICES FOR INSTALLATION OF A NEW BOILER AT THE FORT DUQUESNE AND SIXTH PARKING GARAGE, was read by Mr. Luther and considered by the Board.

Mr. Onorato clarified that there was a mistake made on the resolution and the total of the final payment is \$69,070.00 and asked that the resolution be amended to reflect the correct amount. He advised that when PACT became decommissioned, we were notified that November of 2023 would be the last month that PACT would provide heat for the Fort Duquesne and Sixth Garage and therefore, the Authority needed to get another provider for heat and the vendor selected was Huckestein Mechanical. He advised that the total amount for to installation of the new boiler was \$69,070.00, which is the first and final payment amount asking to be approved.

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

There were none.

Upon motion by Mr. Palmosina and seconded by Mr. Luther, Resolution No. 37 of 2023 was approved as follows: Mr. Palmosina, yes; Mr. Luther, yes; Ms. Fishback, yes.

RESOLUTION NO. 38 OF NOVEMBER 2023, “A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO APPROVE FINAL PAYMENT TO CARL WALKER CONSTRUCTION FOR IMMEDIATE PRIORITY REPAIRS NEEDED AT THE SMITHFIELD/LIBERTY PARKING GARAGE, was read by Ms. Fishback and considered by the Board.

Mr. Onorato reminded the Board that during repairs in the restroom at the Smithfield/Liberty Garage it was discovered that a beam in the ceiling over the bathroom was ninety percent deteriorated resulting in the Authority having to bring in an engineer and having the beam secured with temporary beams and we awarded Carl Walker Construction a contract for \$45,256.83 to replace a 15 foot linear steel beam that spanned the restroom and the helix ramp. He advised that the work is complete without any change orders, and we are asking for authorization release final payment in the amount of \$4,525.78.

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

There were none.

Upon motion by Mr. Luther and seconded by Ms. Fishback, Resolution No. 38 of 2023 was approved as follows: Mr. Palmosina, yes; Mr. Luther, yes; Ms. Fishback, yes.

RESOLUTION NO. 39 OF NOVEMBER 2023, “A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO AWARD A CONTRACT TO CLIMATECH INC, FOR THE INSTALLATION OF A NEW HVAC SYSTEM AT THE SMIFIELD/LIBERTY PARKING GARAGE, was read by Ms. Fishback and considered by the Board.

Mr. Onorato advised that this was also driven by the decommissioning of PACT, who originally served three of our garages. He advised that we received three bids for the RFP with the lowest Responsible bid being submitted by Climatech in the amount of \$39,000.

Ms. Fishback asked if there was any information on the bidding firms MBE/WBE status.

Mr. Holt responded that because of the size and nature of the work as well as the cost it was not pertinent at this time to look into minority participation. He advised that we did reach out to several MBE firms but they advised that they were not interested.

Ms. Fishback asked if Climatech had performed any work with the Authority in the past.

Mr. Onorato responded that they have worked with us before, and we have been pleased with their work.

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

There were none.

Upon motion by Mr. Luther and seconded by Mr. Palmosina, Resolution No. 39 of 2023 was approved as follows: Mr. Palmosina, yes; Mr. Luther, yes; Ms. Fishback, yes.

RESOLUTION NO. 40 OF NOVEMBER 2023, “A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO AWARD A CONTRACT TO R&B MECHANICAL, INC FOR THE AIR HANDLING UNIT REPLACEMENT AT THE THIRD AVENUE PARKING GARAGE, was read by Mr. Luther and considered by the Board.

Mr. Onorato stated that this work is not being completed due to the decommission of PACT as PACT did not service this garage. He stated that this Air Handling Unit was 25 years old and just failed and required replacement. He advised that we solicited bids, five firms attended the pre-bid meeting and four of those firms’ submitted bids. He advised that R&B Mechanical was the lowest bid at \$74,500.00. He advised that the first and second bids were very competitive.

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

There were none.

Upon motion by Mr. Palmosina and seconded by Mr. Luther, Resolution No. 40 of 2023 was approved as follows: Mr. Palmosina, yes; Mr. Luther, yes; Ms. Fishback, yes.

RESOLUTION NO. 41 OF NOVEMBER 2023, “A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH VARIOUS INSURANCE COMPANIES TO OBTAIN INSURANCE COVERAGES FOR THE PUBLIC PARKING AUTHORITY OF PITTSBURGH FOR ONE YEAR PERIOD BEGINNING JANUARY 2024 AND CONTINUING THROUGH DECEMBER 31, 2024, as read by Mr. Luther and considered by the Board.

Mr. Onorato introduced Mr. McCall who is the Authority’s insurance broker that guided us through this entire intensive process which began in 2023. He advised we reached out to ten different regional and national brokers and narrowed them down to five. He advised that those five brokers were assigned sixty-five different insurance carriers that competed against each other. He advised that all of our brokers remained the same with the exception of cyber

liability and active assailant, which we will be switching carriers based on the quotes we received. He noted that last year we needed two carriers to cover the \$5 million coverage for cyber liability and stated that this year we were able to get one carrier to cover the full amount of coverage. He also advised that the active assailant also switched carriers and we will be increasing the coverage from \$1 million to \$5 million. He advised that the 2023-2024 premium was \$643,000 and next year's premium will be \$601,000 a decrease of \$41,485 or just under 6.5 percent. He advised that Worker's Compensation coverage is a large decrease due to a drastic deduction in the number of incidents. He advised that the Public Official coverage decreased slightly also.

He stated that we would like to thank Mr. McCall and our internal staff as they dedicated a large amount of effort that led us in the right direction.

Mr. McCall stated that he appreciated Mr. Onorato's support for this process, which began earlier this year than in past years, due to the uncertainty and volatility of the insurance market. He also noted that he completed a complete risk analysis for the Authority to make sure that all exposures are addressed and wanted to thank the five brokers who put much time and effort into this process: A. J. Gallagher, James. L. Smith Agency, The Rodgers Insurance Company, OVD and USI, located in Blue Bell, PA. He advised that there were 65 insurance carriers and underwriters that looked at our coverages and out of the 65 that reviewed it, we received 30 quotes from the underwriters. He also wanted to thank the Parking Authority staff for their work, specifically Ms. Williams for the financial portion, Mr. McNaugher who he stated was responsible for a 57 percent reduction on the cyber security coverage premium, a direct result of the IT team working on cyber security initiatives throughout the past year and Mr. Perry who he mentioned will be glad this process is finally completed. He stated that Mr. Perry oversaw many meetings and conference calls, loss control inspections, which was a lot of work in a five-month period of time. He advised that the only piece that has yet to be finalized is the property coverage, which will not change the premium shown on the spreadsheet. Mr. McCall noted that because of the size and complexities of these brokers we do not have a specific minority status, however he noted that each broker has a written diversity policy that was reviewed and approved.

Ms. Fishback thanked Mr. McCall for the note regarding their minority status and also for the kind words for Mr. Onorato and staff.

Mr. Luther asked if the Authority is required to secure and pay for insurance coverage for the properties that we do not own, but operate, specifically the Mellon Square Garage.

Mr. Onorato confirmed that we are required to do so.

Mr. McCall confirmed also and noted that this is also a requirement of our Trust Agreement.

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

There were none.

Upon motion by Mr. Palmosina and seconded by Ms. Fishback, Resolution No. 41 of 2023 was approved as follows: Mr. Palmosina, yes; Mr. Luther, yes; Ms. Fishback, yes.

OLD BUSINESS

Ms. Fishback asked if there was any old business.

There was none.

NEW BUSINESS

Ms. Fishback asked if there were any new business matters to discuss.

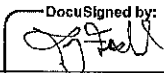
Mr. Onorato wished everyone a Happy Thanksgiving.

Ms. Fishback thanked Mr. Onorato for his wishes and thanked the Authority staff for their work over the past few months, as there were numerous resolutions and a lot of number crunching work with the budget and insurance processes.

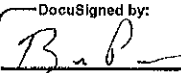
There were none.

The meeting was adjourned at 10:49 a.m. with all the Board expressing their approval.

APPROVED TO CONTENT

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Chairman

ACCEPTED FOR FILING IN THE AUTHORITY'S BOOK OF MINUTES

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Approval