

MINUTES OF THE REGULAR MEETING OF THE
PUBLIC PARKING AUTHORITY OF PITTSBURGH
THURSDAY DECEMBER 15, 2016

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 10:07 a.m. on December 15, 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 and Aradhna Oliphant. Cathy Qureshi arrived at 10:16 a.m. Present from staff were: David Onorato, Anthony Boule, Christopher Speers, Chris Holt, Wes Pollard, John Fournier, Tracy Sowinski, Janet Staab, Bill Conner, Philip Savino, and Patricia Konesky. Also present were Jason Wrona of Buchanan Ingersoll; Bill Stewart of Strategic Communications and Ed Blazina of the Pittsburgh Post-Gazette.

Mr. Cohen stated that because Chairwoman Qureshi was running a little late, he would begin the meeting in her absence.

Ms. Qureshi arrived at 10:16 a.m.

MINUTES

Mr. Cohen asked for approval of the minutes from the November 17, 2016 meeting.

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

PUBLIC COMMENT

Mr. Cohen asked if there were any public comments.

There were none.

EXECUTIVE DIRECTOR'S REPORT

Mr. Onorato advised the Board that the February Board Meeting date will need to be rescheduled and that staff would be reaching out to them to determine their availability for an alternate date.

Mr. Onorato updated the Board on the Holiday Free Parking Program. He advised that for the first four days of the program, three Saturdays and Black Friday, there were approximately

33,000 tickets issued accounting for an estimated revenue loss of \$184,000. Noting that these amounts were in line with program results from the previous year he advised that the Authority also offered free on-street parking on Black Friday and Small Business Saturday and said all of these actions were received favorably by the public.

Mr. Onorato advised that Maher Duessel began the 2016 audit and thanked Ms. Oliphant, Mr. Barron and Ms. Williams for volunteering to serve as the Audit Committee.

Mr. Onorato reminded the Board that approximately one year ago the Authority sold about 4,500 single-space meters through the City's Gov Deal.com process, noting that the meters were auctioned for a total of \$8,500. He explained that once we subtracted the fee of \$425.00 for the service and accounted for a 50-percent split with the City, we received \$4,037.50 or approximately 85 cents per meter. He advised that he is calling the Board's attention to that transaction because instead of using that process to sell 250 recently removed meters we have worked out an agreement with CALE for the Authority to receive a credit of \$2,500 for the 250 meters, which equates to \$10.00 per meter.

Mr. Onorato also reminded the Board of its approval to purchase 40 additional pay-by-plate meters and said that order has been placed. He noted that that as part of our contract, this order includes one and a half coin vaults, three signs and three posts and bases per meter. He advised that because we no longer need these accessories, we will be taking a credit of \$13,000 from CALE for the items we do not need.

Ms. Oliphant asked why we would not need the coin vaults and by not having them, if the meter's collection function would be affected.

Mr. Onorato replied that the meters would continue to accept quarters using coin boxes that we have in inventory.

Mr. Onorato advised that between the two credits, the Authority is saving \$16,376.00.

Mr. Onorato advised that with 11 months completed in our fiscal year, the reports show that the Authority is in line with its projected budget. He discussed the Finance Report, noting that the parking garage facility receipts are just under five percent of projections and our goal is to be in that five-percent window. He advised that the combined meter revenue total shows an increase of 20 percent over 2015. He noted that we will have more details at next month's Board Meeting as we will have year-end revenue and expense actuals available at that time.

Mr. Onorato said the Facility Report indicates similar levels of activity. He noted that both the Smithfield/Liberty and Third Avenue Garages show large increases due to the completion of the construction at those locations. He stated that the month-to-month and the year-to-date reports show that revenues are slightly under budget in the monthly comparison but are ahead of 2015 in year-to-year results.

Mr. Onorato discussed the Enforcement Report, noting that there has been an increase in tickets issued for meter violations indicating that the Enforcement Officers are doing an efficient job in the field.

Mr. Barron inquired why tickets for Residential Permit Parking were down substantially.

Mr. Onorato responded that the Authority has been having some issues with the vehicles' LPR equipment and said the vendor is currently on-site troubleshooting the problem and changing the hardware.

Mr. Onorato stated that the Authority should be going live in the next month or two with a virtual permit feature, which will enable residents to purchase their permits on-line. He advised that we will still offer the purchase option in person. He advised that the license plate number will become their permit for both the actual sticker as well as the visitors pass, and said the changes will be implemented in stages as each area's renewal period becomes due.

Mr. Barron asked the impact on the Authority of Pittsburgh City Council's approval to add Saturday evening enforcement in the South Side area.

Mr. Onorato responded that this Parking Enforcement District will have no financial impact as we will do the enforcement but will net out our expenses prior to the City receiving its share of collected revenues. He stated that the on-street enforcement on Friday and Saturdays which currently ends at 6:00 p.m. will now be enforced until midnight. He added that he believes a portion of the net collections will then be shared with the neighborhood district. He advised that the residents and the business owners are in support of this change.

Ms. Oliphant stated she believes that this is a good thing for the neighborhood.

Mr. Onorato discussed the Meter Revenue Report, noting that lot collections have increased from 2015 to 2016. He advised that the gross meter revenues are on pace to reach about \$19 million.

Mr. Onorato discussed the Parking Court Report, stating that with 11 months completed revenues are at \$9.8 million. He said we should easily reach our budget projection of \$10.5 million for the fiscal year.

RESOLUTIONS

RESOLUTION NO. 67 OF DECEMBER 2016, "A RESOLUTION AUTHORIZING THE PUBLIC PARKING AUTHORITY OF PITTSBURGH'S BANK ACCOUNTS FOR THE 2017 CALENDAR YEAR, was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised that these are the Authority's existing accounts with PNC Bank and said we are asking for authorization to continue using them in 2017.

Ms. Qureshi asked if the Authority requested proposals for banking services.

Mr. Onorato responded that we have not done so recently and have remained with PNC. He noted that Mellon Bank services the Authority's Trust Account, adding that for last year's refinancing, PNC was the Bond Underwriter and Mellon was the Financial Advisor.

Mr. Cohen inquired if there is one contact at PNC who oversees all of the Authority's accounts.

Mr. Onorato advised that the Authority does have designated account representatives including George Whitmer and Jason DiMartini, but said there are different points of contacts depending on the account type.

Mr. Cohen mentioned previous discussions regarding the amount of the fees that the Authority is being charged and said he would like the Authority to revisit this topic to ensure that PNC's fee structure is fair. He asked if the Authority knows what fees we are incurring.

Mr. Onorato responded that the Authority does have a report of the fee schedule and can share it with the Board members.

Ms. Oliphant said she agreed with Mr. Cohen and recommended that the Authority continue with PNC during 2017, but have a more formal request issued for banking services for the 2018 fiscal year.

Mr. Cohen stated that the Board questioned this approximately a year ago and asked if PNC had reduced or removed any fees during the past year.

Mr. Onorato responded that PNC had not reduced or removed any fees during 2016. He advised the Board that the Authority will reach out to PNC to have this discussion.

Ms. Qureshi asked the Authority staff to request a written summation of the fees and charges, interest rates, etc. that are associated with each account. She stated she would be interested to know which account retains the lowest balance.

Mr. Onorato stated that at the end of each month the remaining balance in each account is transferred into the Trust Account, so they all most likely will show a minimum amount. He stated that the Trust releases funds to the Authority each month as needed.

Ms. Qureshi asked if there were any additional questions.

There were none.

Upon motion by Mr. Cohen and seconded by Ms. Oliphant, Resolution No. 67 of 2016 was approved as follows: Mr. Cohen, yes; Mr. Barron, yes; Ms. Oliphant, yes; Ms. Qureshi, abstained.

**RESOLUTION NO. 68 OF DECEMBER 2016, "A RESOLUTION
AUTHORIZING THE EXECUTIVE DIRECTOR TO AWARD A
CONTRACT TO DESMAN DESIGN MANAGEMENT, A CONSULTING**

ENGINEERING FIRM, TO CONDUCT AN ANALYSIS, PROVIDE RECOMMENDATIONS AND ENGINEERING SERVICES FOR A STRUCTURAL REPAIR PLAN AT THE FORT DUQUESNE AND SIXTH GARAGE, was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised that this is a scheduled capital improvement project to perform major repairs to the decks, beams and columns at the Fort Duquesne and Sixth Garage. He advised that this is the second stage of repairs at this facility and reported that the Authority solicited bids for an engineering firm to conduct an analysis to determine the scope of work and to perform on-site inspections of progress once the project has begun. He advised that six proposals were received and were evaluated on five criteria; organization qualifications, fee proposal, value-added items, MBE/WBE qualifications and prior experience. He advised that based on scoring evaluations, the assignment was awarded to Desman Design Management at a cost of \$213,000.00.

Ms. Qureshi asked what Desman's responsibilities would include.

Mr. Onorato stated that the firm would evaluate the garage, develop the scope of work and write the RFP specifying the scope of work.

Ms. Qureshi asked if it would be fair to say that the cost of the engineering firm's work on this project is equivalent to 10 percent of the total project cost.

Mr. Onorato responded that he believes that Desman's fee might be closer to five percent of the total project costs, noting it would be comparable to its work on the Third Avenue rehabilitation project.

Ms. Qureshi asked if there were any questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Mr. Barron, Resolution No. 68 of 2016 was approved as follows: Mr. Cohen, yes; Mr. Barron, yes; Ms. Oliphant, yes; Ms. Qureshi, yes.

RESOLUTION NO. 69 OF DECEMBER 2016, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO APPROVE FINAL PAYMENT TO THIRD GENERATION FOR AN AUTHORITY-WIDE UNIFIED COMMUNICATIONS (UC) SYSTEM, was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised that all work has been completed and the punch list done to the Authority's satisfaction. He noted that the original contract was \$39,420 and there were no change orders, noting that \$2,000 of that total was paid to an MBE subcontractor.

Ms. Qureshi noted that the attached final payment invoice was past 30 days due and wanted to know if that was because Board approval was needed prior to payment.

Mr. Onorato confirmed that Board approval was required for payment.

Ms. Qureshi asked if there were any questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Mr. Barron, Resolution No. 69 of 2016 was approved as follows: Mr. Cohen, yes; Mr. Barron, yes; Ms. Oliphant, yes; Ms. Qureshi, yes.

RESOLUTION NO. 70 OF DECEMBER 2016, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO AWARD A CONTRACT TO GOLON INC FOR STAIRWELL REPLACEMENT AT THE MELLON SQUARE GARAGE, was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised that the stairwell in the Mellon Square Garage located closest to the Omni William Penn Hotel has deteriorated badly and said the Authority has received several complaints regarding its condition. He said this action would replace the entire stairwell. Mr. Onorato advised that the Authority received six bids in response to the project RFP and said the low bid submitted by Golon Inc. in the amount of \$214,500 resulted in our recommendation that Golon Inc. be awarded the contract for this work.

Ms. Oliphant inquired if the Authority has ever worked with Golon Inc.

Mr. Onorato responded that they did complete concrete ceiling repairs approximately six or seven years ago at the same facility.

Mr. Onorato advised the Board that since there was a difference of approximately \$37,000 between the Golon bid and the next lowest amount submitted, staff did have discussions with Golon Inc. to ensure that they properly understood the scope of work. He advised that they confirmed that they did understand the full scope of work and committed to completing it at the cost proposed.

Ms. Oliphant asked when the work would begin.

Mr. Onorato responded that with the Board approval today, we anticipate the contract being signed within the next 20 days and they will have 30 days following that to begin the work. He advised that the stairwell will be completely shut down, causing slight inconvenience to the public. He advised that we anticipate the project to be completed within 90 days.

Mr. Cohen noted that three bids are within \$10,000 so the Authority needs to hold the vendor to its contract price and not permit any change orders.

Mr. Holt added that he did talk to the contractor who said the firm is going to honor their bid. He stated that in this form of bid, particular line items are quantified and guide the project. He said that depending on the condition of the garage, some areas may be in worse shape than we anticipated.

Mr. Cohen asked if the contractors submit line items on their bid.

Mr. Holt responded that they do and said those items are developed by the engineer.

Mr. Qureshi asked if the bid itself was binding to the contract. She asked if we had open dialogue with contractors to advise them that if they did not understand the scope of work and would most likely lose money on the project they would have the opportunity to withdraw their bid.

Mr. Onorato confirmed that this is exactly what happened in this case, adding that if the Authority feels that the lowest bidding vendor does not understand the scope of work, we discuss our concerns to give them the opportunity to withdraw before any contract is signed.

Ms. Oliphant stated that this is why she asked the question regarding a company's past work history with the Authority. She asked how the Authority determines if a project will be on a low bid or professional services basis.

Mr. Onorato responded that it is based on the type of project and said work of this nature, a stairwell replacement, is usually awarded on a low-bid basis.

Mr. Wrona stated that there are legal definitions that guide the process but said to some extent there is discretion and said in this situation of engineer-prepared specifications, he believes everyone is bidding on the same specifications.

Mr. Cohen asked if the Authority ever considered doing this on a point system

Mr. Wrona replied that this was a lowest responsible bid, not just lowest bid, so if the Authority has substantive reason to believe the bidder could not perform the work, it would be able to reject the bid. He stated that on this particular project the Authority team did a good job of vetting, the vendor to make sure it is a responsible vendor.

Ms. Oliphant noted that she believes the questions the Board is asking at this time are not directed at this particular project but amount to just a general discussion of the process.

Ms. Qureshi stated that in addition to everything else the Authority does, we are a construction management company. She asked if there were any additional questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Mr. Cohen, Resolution No. 70 of 2016 was approved as follows: Mr. Cohen, yes; Mr. Barron, yes; Ms. Oliphant, yes; Ms. Qureshi, yes.

RESOLUTION NO. 71 OF DECEMBER 2016, "A RESOLUTION OF THE PUBLIC PARKING AUTHORITY OF PITTSBURGH AUTHORIZING THE EXECUTIVE DIRECTOR OF THE AUTHORITY TO SOLICIT PROPOSALS FOR THE PURPOSE OF IDENTIFYING QUALIFIED DEVELOPERS FOR THE REDEVELOPMENT OF THE NINTH AND PENN GARAGE, was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised the Board that the Authority's capital repair plan has been building up to this project by making sure that all of our other garages are fully opened and structurally sound prior to the redevelopment of Ninth and Penn. He advised that this facility is located in the middle of the Cultural District and said the Authority has been working with the Pittsburgh Cultural Trust to determine the highest and best use for the location. He noted that the Pittsburgh Cultural Trust owns the areas surrounding our garage and is planning to redevelop the entire block and we are collaborating with it and the City to achieve the best result for all the entities involved. Mr. Onorato said staff is asking for authorization to solicit proposals from developers qualified to work with the Authority and the Trust to redevelop both the garage footprint and the surrounding area. He also advised the Board that a committee will be formed to evaluate and score the responses submitted.

Ms. Qureshi asked for clarification of the line in the resolution that reads they are going to demolish the existing garage, which is straight-forward, and turnkey development of a new garage, asking the meaning of the turnkeyed reference.

Mr. Onorato responded that the Authority would turn over the property and the developer would raze the existing structure and build a new garage based on our approval of the design and specifications. He added that once the garage portion is constructed, the work would continue on the areas above and around the garage.

Ms. Qureshi stated that we then would not solicit bids for construction.

Mr. Onorato confirmed that that was correct.

Ms. Qureshi asked if her thought process was correct, that they would take down the existing structure, manage the full bid process to give us a 700-space garage and then do other things involving the space above, below or nearby. She also asked who upon completion would own the site.

Mr. Onorato replied that the Authority would own the 700 spaces and if it became a larger facility, either the Cultural Trust or the developer would own the additional spaces. He said we would still be paying for our 700 spaces even though we would not be in charge of overseeing the construction of it. He advised that we would own the new garage but would not own the air rights above it and said that all of those types of details remain to be worked out.

Mr. Barron asked, in this scenario, who would be responsible for maintenance and repairs. Mr. Onorato responded that the Authority would be responsible for the garage structure.

Mr. Wrona responded that this entire process is very preliminary and we would need to see the actual RFP responses as we are asking developers for project recommendations that could vary widely. He advised that right now we are envisioning a garage-condo type structure where there could be condo or retail on the bottom, or condo and office, and in a typical arrangement of that sort, occupants pay into a common fund to cover the repairs and continued maintenance. He advised that responsibility for those functions could be shared but said he believes it is the Authority's intention right now to have very significant control over the repairs that are done inside the garage. He stated that if this project proceeds a very complicated transaction structure will be required.

Ms. Oliphant asked if the developer would do revenue models and if that information be shared with the Authority.

Mr. Wrona responded that the major thing the Authority would need to be comfortable with is that the project is successful, so financials, credit worthiness, the bonding capacity, anchor tenants, commercial development, payment guarantees from credit-worthy individuals, rights of reverter will all be needed to be in place to ensure that outcome.

Ms. Oliphant asked who would provide the Authority with credible financial overview on this project.

Mr. Wrona advised that a Financial Advisor will be engaged and said that matter will be addressed in the meeting's following resolution. He also noted that committees will be formed to review and score the proposals to ensure the presence of expertise in each area and encouraged the Board to think about who should be involved in this process. Mr. Wrona suggested that Ms. Williams and Patrick O'Such are certainly qualified to interpret the financial statements, but said it would be helpful to have a third party involved.

Mr. Barron asked how the structure of pricing in the garage would work in the event that the Authority controls some but not all of the spaces.

Mr. Onorato stated that this would still need to be worked out, but at this time he envisions that the Authority will control and set the rates for the public spaces with the Cultural Trust or the developer assigning any additional spaces for private use. He said he does see us operating the entire garage, which is similar to what occurs at the Oliver Garage with the Millcraft and Piatt Corporations having residential units above the garage. He advised that 42 spaces in the Oliver Garage are designated for the use of Piatt Place residents but said the Authority controls and operates the entire garage.

Mr. Cohen stated that the Authority is not just about parking anymore but a vital player in the development of the city and in this state-of-the-art project. He stated he does agree that the Authority needs to watch this project and the vendors closely.

Ms. Oliphant inquired about what happens to the patrons who are currently using a facility that is targeted for replacement.

Mr. Onorato replied that the Authority will try to accommodate some if not all of the current leaseholders at our other garages, such as Grant Street and Smithfield/Liberty, neither of which

are currently operating at capacity. He noted that one downside is that some transient parkers who find interim parking at non-Authority facilities have to be won back when the new garage is completed. He said he expects that, with marketing, those patrons can be recaptured.

Mr. Barron noted that the new garage located at the old Saks site should be coming on line before this project begins, providing an additional option should we need to refer customers elsewhere.

Mr. Cohen stated that with the knowledge that the newly constructed facilities will be opening, now is the time for the Authority to look at its garages to gauge their overall appearance and condition.

Mr. Onorato responded that the Authority does take its buildings' appearance into consideration and noted that after the reconstruction at Smithfield/Liberty, we did clean and paint the ramps and common areas as this is what the customers notice the most. He also advised that this will be done at Fort Duquesne after the reconstruction work there is completed. He advised that the Authority does have equipment in house such as a scrubber and riding sweeper that we use routinely and will continue to do so.

Mr. Barron stated that he wanted to commend the staff and Mr. Wrona for being creative with this incredible opportunity and this could really be a showcase project for the entire city. He stated that it's apparent that there has been a lot of thought and work done up to this point.

Ms. Oliphant mentioned that there was a speaker who spoke at a state or nationwide conference around future thinking, green sustainability, and talked about how the Pittsburgh Parking Authority was viewing this potential structure as a cutting-edge facility.

Ms. Qureshi asked if there were any questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Mr. Barron, Resolution No. 71 of 2016 was approved as follows: Mr. Cohen, yes; Mr. Barron, yes; Ms. Oliphant, yes; Ms. Qureshi, yes.

RESOLUTION NO. 72 OF DECEMBER 2016, "A RESOLUTION OF THE PUBLIC PARKING AUTHORITY OF PITTSBURGH AUTHORIZING THE EXECUTIVE DIRECTOR OF THE AUTHORITY TO SOLICIT PROPOSALS AND/OR QUALIFICATIONS FOR SERVICES RELATED TO THE REDEVELOPMENT OF THE NINTH AND PENN GARAGE, was read by Ms. Qureshi and considered by the Board.

Mr. Onorato stated that this is seeking authorization to explore purchasing both a traffic study and feasibility study to determine the demand for and projected use of a new parking garage. He stated that our initial options are not finalized and we can proceed with alternate options if we have these consultants on board.

Ms. Qureshi asked if the intent is to have three different RFPs, one each for traffic, financial and architect.

Mr. Onorato responded that there will be two or three, one for an architect and we are still looking to see if the financial and traffic/demand study can be bundled together. He advised that the architect may be used early on during the evaluation of the proposals submitted and, going forward, to design our structure.

Mr. Wrona said to clarify, the intent is to have the consulting architect advise the scoring committee with respect with the new redevelopment only. He stated that we would need to go out with separate RFPs in the event the Authority needs to build its own garage.

Mr. Barron noted that whoever the Authority hires will be prevented from participating in the successive phases of the project.

Ms. Oliphant asked if it would be advisable to hire an architect from outside of the Pittsburgh area.

Mr. Onorato responded that he does not think that is necessary and said it would be to our advantage if the choice was familiar with Pittsburgh, the Cultural District and the Authority's principal objectives. He said it does not preclude them from being outside of Pittsburgh and said that type of restriction should not be included in the RFP.

Mr. Cohen stated he would like to see everyone work together and he believes that it would make it a more competitive bid.

Mr. Wrona stated that it is best to remember that if the redevelopment RFP is awarded it will cover one project with multiple functions. He said if we don't receive qualified responses for that scope, we still have to build a garage and at that point in time we are going to have to issue our own RFP with enough time to build our own garage.

Mr. Cohen asked that if doing this separately will delay the project.

Mr. Onorato advised that we have developed a timeline and are comfortable with the completion date regardless of the form of the process chosen.

Ms. Oliphant asked if the studies and consultations would be applicable to whatever direction we decide to proceed.

Mr. Wrona responded that only the traffic study and the financial feasibility analysis should be able to be used in both cases. He said the consulting architect is only on board with respect to Project 1 because we want them to analyze the proposals received and, beyond that, we are still going to need someone to help us ensure that the garage is being designed the way we want it. He advised that if we scrap the broader redevelopment option, we are going to need a totally separate architect.

Ms. Oliphant stated that we could still have architect types on the committee but stated she understands now why we would need to have an architect on board.

Mr. Wrona stated that the architect will not serve on the committee but will still be needed to advise and guide the Authority's Board and staff.

Ms. Qureshi said that this is the type of project that cries out for a project manager and said she believes that the Authority staff is busy enough as is, so this project would need someone that the Authority can trust to lead it, possibly from Buchanan Ingersoll & Rooney. She asked if there would be any additional costs needed other than what is budgeted for someone in this capacity.

Mr. Cohen said he agreed with Ms. Qureshi, stating that this would be a fulltime job and that most likely internal staff would not have the amount of time needed to oversee the project. He stated that staff is qualified to assist but said that in this case he believes that we need an on-site, fulltime, project manager.

Ms. Oliphant asked if someone in house, suggesting Mr. Fournier or Mr. Wrona and his law firm, could possibly manage this strategic project. She noted that this could be discussed at a later time and not to pre-suppose that the Authority needs to pay for an outside project manager.

Mr. Onorato said it is all dependent on which route the project takes, but said that we could issue and RFP for a project manager.

Mr. Wrona added that this project will be one of the most sophisticated projects completed in the City of Pittsburgh and it would be great to have a trusted project manager, but not a project manager who should join with the architect to review the proposals. He asked the Board members about their thoughts of issuing an RFP for a team. He stated that there will be steps in the proposal process such as mandatory meetings, requests for clarifications, etc. and as time goes on we are going to know which way the project should proceed.

Ms. Oliphant stated that regardless of which direction the project goes, the Authority needs someone the Authority can trust to oversee the project if for no purpose other than representing the best interests of the Authority.

Mr. Cohen agreed with Ms. Oliphant and stated that the Board does not want to make any decision that may hurt the Authority.

Mr. Barron stated that he believes that all of the entities working together is the way to proceed, noting that there is something to be said of a shared vision that might require that this resolution be amended.

Mr. Wrona responded that the wording of this resolution as is allows the Authority to issue as many RFPs as necessary.

Mr. Cohen stated that he also believes this should be a combined effort.

Ms. Qureshi stated that when the Authority built the Grant Street Transportation Center she felt very confident with the Contract Manager approach employed for that project. She said she feels that approach to construction is extraordinarily client-focused.

Mr. Wrona stated that he wanted to clarify that the Board envisioned two RFPs, one for a team to conduct a financial analysis, traffic consultant and architectural consultant and the second RFP being an owner's representative.

Ms. Oliphant asked if it was common to have the three entities work together before they respond to the Authority.

Mr. Onorato responded that is common practice and said you may find that some vendors have that combination in house.

Mr. Wrona stated that we will need to see the quality of the responses because a real plus, will be the vendor teaming with a developer. He believes that for now we should totally bifurcate the two projects just to keep them simple, keeping the RFPs clean, and not confuse vendors as to the scope of work they are bidding on. He noted that if the redevelopment does not work out, a different set of RFPs will be issued to clarify the direction the project will proceed.

Ms. Qureshi asked if there were any questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Mr. Barron, Resolution No. 72 of 2016 was approved as follows: Mr. Cohen, yes; Mr. Barron, yes; Ms. Oliphant, yes; Ms. Qureshi, yes.

RESOLUTION NO. 73 OF DECEMBER 2016, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO INCREASE THE HOURLY RATE IN THE IVY-BELLEFONTE LOT EFFECTIVE JANUARY 1, 2017, was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised that the Ivy-Bellefonte Lot is in close proximity to the Shadyside Residential Parking Permit Area A, which spans Walnut Street, the surrounding streets, and also includes our Shadyside Garage. He advised that the Authority made the proposal to the City to increase the on-street rates based on utilization activity. He noted that we also requested a rate increase in the Oakland Permit Area B together with recommendations for slight decreases in Squirrel Hill Permit Area B and Uptown Area A. He stated that the Ivy-Bellefonte lot is 105 percent full during the business day. He stated that implementation of this rate action is contingent upon the City approving the proposed Walnut Street increase.

Mr. Cohen asked the current on-street rate.

Mr. Onorato responded that the current on-street rate on Walnut Street is \$1.50 per hour from 8:00 am. to 10:00 a.m. and \$2.00 from 10:00 am. to 6:00 p.m. He stated that we are recommending that the rate remains at \$1.50 per hour from 8:00 am. to 10:00 a.m. but increases from \$2.00 per hour to \$2.50 per hour from 10:00 a.m. to 6:00 p.m.

Ms. Qureshi asked the current garage rates.

Mr. Onorato responded that the first hour there is priced at \$2.50.

Ms. Qureshi noted that the garage is underutilized, then asked how a lot can be used 105 percent.

Mr. Onorato responded that the garage reference is accurate but said that we are starting to see a change in the pattern there, noted that regarding her capacity question, the usage data is collected from the meter transactions and indicate that there are times when a customer buys two hours of parking, leaves the lot before the paid-for-time expires and a second patron repurchases the balance of unused time.

Mr. Barron asked if the districts' council members were briefed on those changes.

Mr. Onorato responded that they will be made aware as a result of our request to the City and said we will also brief them directly when and if it occurs.

Ms. Qureshi stated that her understanding was that this request for increase was sent to the Mayor's office but not sent to Council's office as yet.

Mr. Onorato confirmed her comment on the request's status and said that the location involved one that Council has designated for dynamic pricing. He stated that they look to the Authority to make recommendations to the City Finance Director who is required to approve it.

Mr. Cohen commented that he would like the Authority to give Council a few days of notice if the price does increase. He inquired if the neighborhood businesses and residents are in favor of this increase.

Mr. Onorato responded that we wanted to make sure that the City and the Authority were on the same page before we reach out to the council district and the neighborhood businesses. He stated that Councilman Gilman is a vital supporter of dynamic pricing in this area and said that he has been informed of this recommendation. Mr. Onorato stated that he does not believe that this will change parking patterns in the location affected.

Mr. Cohen wanted to know if raising the hourly rate by 25 cents would really make a difference.

Ms. Qureshi suggested that there could be some marketing of the garage, which is a great facility, in her opinion, and is not overpriced.

Mr. Onorato replied that he believes that most of the customers who use Walnut Street are already aware of the garage's location, but will first attempt to find on-street parking before going to the garage.

Mr. Cohen asked if we considered having variable pricing in the garage during the week.

Mr. Speers responded that with the rate in the Ivy-Bellefonte Lot matching the first tier in the garage pricing, we may see a shift in patterns.

Ms. Qureshi stated that the resolution, if passed, be amended to take effect on February 1, 2017.

Ms. Qureshi asked if there were any questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Mr. Cohen, Resolution No. 73 of 2016 was approved as follows: Mr. Cohen, yes; Mr. Barron, yes; Ms. Oliphant, yes; Ms. Qureshi, yes.

RESOLUTION NO. 74 OF DECEMBER 2016, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO PURCHASE A NEW SSD FIBER SAN UNIT FOR THE ADMINISTRATIVE OFFICE DATA ROOM, was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised the Board that this is Phase 2 of our capital upgrade of the computer blades, which has been completed, but said that we now need to increase our storage capability to match all of the technology we are using. He advised that this will increase storage of the entire blade system and advised that this purchase will be made utilizing the Co-Stars state procurement contract.

Mr. Savino advised that SAN stands for Storage Area Network. He compared it to a place having all of your virtual infrastructure and said that the blades are processing the memory and the storage is where all of the data is held. He said our current system is approximately seven years old and at the end of its service life, explaining that the level of virtual infrastructure to which we have upgraded does not support the existing storage unit. He advised that we are looking not only at replacement but to enhance it with solid-state drive technology similar to USB drives that can be plugged in and out of the computer rather than employing a mechanical hardware drive and its high failure rate.

Ms. Qureshi asked if this was back-up and storage space for just the office.

Mr. Savino stated that the Authority is 100 percent virtualized and said this unit serves as a platform for all of our servers, financial data, garage servers, Parking Court data, and enforcement plate information. He advised that the high price tag is because of the SSD technology required, specifically at approximately \$12,000 a drive for the Authority's 10 drives.

Mr. Cohen asked the life expectancy of the new equipment and if this equipment can be leased.

Mr. Savino advised that the life expectancy is anywhere between five and seven years and advised that this type of equipment is normally not leased. He said that software drives hardware and said if the software vendor determines that they will no longer support the hardware, the end user would need to get new hardware.

Ms. Oliphant said that on a very basic level, this situation is similar to the purchase of your personal cell phone. She asked about the system's redundancy.

Mr. Savino responded that the system is rated at grade five and has usable storage of about 16 terabytes, but because total storage is much larger, it has a high volume of availability and an appropriate level of redundancy as well.

Mr. Cohen asked if we checked any other vendors' pricing to see if we are receiving the best possible price for product.

Mr. Savino responded that we used the Co-Stars contract which means that all of these vendors have submitted their pricing to the state and the competitive bidding process was completed at that level.

Mr. Cohen asked if the Authority had not decided to use the Co-Stars contract, who would we have gone to for bids.

Mr. Savino responded that we would have issued an RFP and that in the past he has worked with vendors such as CDW, Gov Connection, Net Experts, HP, among others.

Mr. Cohen said for the price of this contract he would recommend that the Authority get two or three bids to make sure that we are receiving the best possible price.

Mr. Savino responded that HP does the state pricing, CDW is a retailer and Gov Connections is a retailer and they all go to the same person. He stated that if HP knows that you are looking to buy a product the pricing is similar.

Mr. Barron stated that it is a good thing to use the state contract as they have access to a higher volume discount.

Mr. Savino stated that the maximum purchase price will be \$170,000 but that we can scale back on useable space to make the price lower.

Mr. Cohen asked if that was a good business decision and if by using the state contract, if we are saving approximately 50 percent.

Mr. Savino stated that this was a very good business decision, adding that while the Authority does not need all of this space at the moment but can add it later if needed. He said that with the state discount, he believes the cost will be approximately \$6,500 to \$7,000 per drive versus the Authority's most recent estimate of \$12,000 per drive.

Ms. Qureshi stated that unlike most of our resolutions, she does not completely understand this type of purchase but said she relies on the expertise of those who do and therefore endorses it.

Ms. Qureshi asked if there were any questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Mr. Barron, Resolution No. 74 of 2016 was approved as follows: Mr. Cohen, yes; Mr. Barron, yes; Ms. Oliphant, yes; Ms. Qureshi, yes.

OLD/NEW BUSINESS

Ms. Qureshi asked if there were any additional new or old items for discussion.

There were none.

The next Board meeting is scheduled for Thursday, January 19, 2016 at 10:00 a.m.

The meeting was adjourned at 11:43 a.m. with all Board Members in approval.

APPROVED TO CONTENT



Chairman

ACCEPTED FOR FILING IN THE AUTHORITY'S BOOK OF MINUTES



Approval