

**MINUTES OF THE REGULAR MEETING OF THE  
PUBLIC PARKING AUTHORITY OF PITTSBURGH  
THURSDAY OCTOBER 16, 2014**

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 October 16, 2014 at 10:00 a.m. at 232 Boulevard of the Allies, Pittsburgh, PA 15222-1616. The following Board members were present at the start of the meeting: Cathy Qureshi and Jeff Cohen. Loralyn Fabian participated via phone conference. Present from staff were: David Onorato, Anthony Boule, Christopher Speers, Jo-Ann Williams, Judi DeVito, Chris Holt, Wes Pollard, Janet Staab, Debra Meyer, James Smith, Patrick Osuch, Philip Savino and Patricia Konesky. Also present were Jason Wrona and Ken Luttinger of Buchanan Ingersoll & Rooney, John Fournier of the City of Pittsburgh, Bill Stewart of Strategic Communications, Ashley Henry Shirk of DMGS, Robert Zullo of the Pittsburgh Post-Gazette and Tucker Sciulli of the City Controller's Office.

**MINUTES**

Ms. Qureshi asked for approval of the minutes from the regular meeting held on September 18, 2014.

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

**PUBLIC COMMENT**

There were no public comments.

**EXECUTIVE DIRECTOR'S REPORT**

Mr. Onorato advised the Board that the Authority is in the process of creating the 2015 Budget and he anticipates presenting it to the Board at the next meeting.

Mr. Onorato updated the Board that the Authority has been contacted by Park 7, a firm that has expressed interest in purchasing the Authority's Centre/Craig lot. He advised that the City Administration and the Authority met jointly with them and said they have agreed in writing to cover any costs that the Authority may incur relating to the possible sale of this lot. He advised that any sales agreement reached would be presented to the Board for approval prior to its execution.

Mr. Onorato advised that the Authority has been contacted by two separate hotel developers who

require parking in the Downtown area and said the Authority and the City administration met with them to discuss their requests. He said we will keep the Board updated on developments as they occur.

Mr. Onorato advised the Board that the Authority is in the process of submitting a grant application for electric vehicle charging stations through the state, which will reimburse the Authority in the amount of approximately 40 percent of the installation costs. He advised that the total costs are anticipated to be \$12,000 with the Authority paying \$7,500 and the grant covering the additional \$4,500. He stated that the plans include the purchase and installation of four stations, two double units, to be located at the Grant Street Transportation Center. He advised that we will update the Board of the state's response as soon as the result of our application is received.

Mr. Onorato advised that today's Board packet contains quarterly reports and briefly reviewed several with the Board.

Mr. Onorato pointed out that the occupancy report which shows that overall utilization has declined this quarter and noted that this report is the first since the garage rate increase went into effect. He advised that there was a minimal decline in occupancy comparing July to September but reported no significant changes. He noted that the report shows availability or open spaces, particularly at the Mellon Square garage, but noted that the goal of the rate increase was to create transient parking availability and guide the all-day parkers to the fringe area of the city.

Mr. Cohen stated that this report should show year-to-year comparisons to give a truer picture but stated that his quick analysis though is that overall there is not a significant difference in utilization. He asked what the Authority's anticipated revenue increase was projected to be.

Mr. Onorato replied that the increase was anticipated to gross approximately \$4 million.

Mr. Onorato advised that the downtown garage leases assigned to downtown residents increased by eight this quarter to a total of 47, with the majority being at the Oliver, Third Avenue and Grant Street Transportation Center locations.

Ms. Qureshi asked if downtown residency has to be proven in order to obtain a lease of that type.

Mr. Onorato confirmed that downtown residents are required to prove Downtown residency in order to qualify for this type of lease.

Mr. Onorato shared the quarterly Meter Revenue Report with the Board which showed the results of both on-street and off-street installations and the percentage of spaces controlled by multi-space meters. He advised that the report also shows the number of meters within each lot and how many spaces they control, noting that most of our spaces are now managed by multi-spaced meters.

Mr. Cohen said he would like to see the meter report show the comparison to the previous year's revenue performances.

Mr. Onorato shared the Revenue Per Space Report with the Board, which ranks revenue by space and further breaks down each space by gross revenue, expenses and net revenues.

Mr. Onorato pointed that out the Residential Permit Parking Report shows that residential street parking permits increased this year.

Ms. Qureshi asked if the cost for a residential permit will increase at all this year.

Mr. Onorato replied that the cost has remained the same at \$20.00 per permit and \$1.00 per visitor's pass. He said there has been no cost increase and noted that the program has been expanding continually with the addition of new areas.

Mr. Onorato asked if there were any questions on the monthly or quarterly reports.

There were none.

## **RESOLUTIONS**

**RESOLUTION NO. 29 OF OCTOBER 2014, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO UTILIZE CONCRETE REPAIR SERVICES FOR AUTHORITY-OPERATED GARAGES AND SURFACE LOTS FROM THE CITY OF PITTSBURGH/COUNTY OF ALLEGHENY CONTRACT WITH COSTA CONTRACTING, INCORPORATED,** was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised the Board that there is an ongoing need for concrete services at the Authority's garage and lots and we would like to piggy-back off the City contract to establish an on-call service for any concrete repair service. He advised that the cost of this agreement would not exceed \$50,000 annually for a three-year contract.

Mr. Cohen asked what the Authority would do if any specific repair or the total repair costs were over the \$50,000.00 in any given year.

Mr. Onorato responded that we would bring any amount over \$50,000 to the Board for authorization to proceed.

Ms. Qureshi inquired if the costs were billed on an hourly basis.

Mr. Onorato replied that the services were based on unit costs and on a call-out basis only.

Mr. Cohen asked if the price fluctuates based on the cost of the product.

Mr. Onorato advised that the agreement would lock in the product prices.

Ms. Fabian asked the benefit of piggy-backing and inquired if there is a premium paid for choosing that contract option.

Mr. Onorato advised that we do not pay any premium costs for an approach that enables the Authority to react quickly to any needed repair by simply making the call to the contractor with whom we already have a contract rather than having to issue an RFP each and every time a repair is needed. He advised that piggy-backing off the City or County means that they have already completed the RFP process and have already secured the best prices for the service involved.

Upon motion by Mr. Cohen and seconded by Ms. Fabian, Resolution No. 29 of 2014 was approved as follows: Mr. Cohen, yes; Ms. Fabian, yes; Ms. Qureshi, yes.

**RESOLUTION NO. 30 OF OCTOBER 2014, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO UTILIZE ASPHALT PLACEMENT SERVICES FOR AUTHORITY-OPERATED GARAGES AND SURFACE LOTS FROM THE CITY OF PITTSBURGH/COUNTY OF ALLEGHENY CONTRACT WITH A. FOLINO CONSTRUCTION,** was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised that the nature of this resolution is similar to the one for concrete services just discussed except it deals with asphalt services and involves a different vendor. He said the Authority is asking for approval of \$75,000 per year for this service, again piggy-backing off the City/County contract.

Ms. Qureshi asked if the Authority believed that by piggy-backing off the City/County contract, it receives a better rate than if the Authority had issued the RFP itself.

Mr. Onorato stated that what benefits the Authority most in this type of situation is that these resolutions cover smaller jobs that would require the Authority to issue many RFPs in a brief period of time. He said having an on-call contractor eliminates the need to issue individual RFPs and noted that if a repair was of a large scale the Authority would issue an individual RFP for that purpose.

Ms. Qureshi asked Mr. Wrona if the Authority always had the right to bid outside a contract if an existing contract is in place.

Mr. Wrona replied that the right would be determined by the terms of the existing contract.

Mr. Cohen asked is this was an exclusive or non-exclusive contract and if the vendors in this and the preceding resolution are currently being utilized by the City.

Mr. Onorato replied that it is not an exclusive contract, but is an on-call services contract for small repairs. He said both firms are currently under contract with the City.

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

There were none.

Upon motion by Mr. Cohen and seconded by Ms. Fabian, Resolution No. 30 of 2014 was approved as follows: Mr. Cohen, yes; Ms. Fabian, yes; Ms. Qureshi, yes.

**RESOLUTION NO. 31 OF OCTOBER 2014, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO AWARD A CONTRACT TO OTIS ELEVATOR COMPANY FOR ELEVATOR AND ESCALATOR MAINTENANCE SERVICES AT ALL AUTHORITY GARAGES,** was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised the Board that there are currently two contracts, one with Otis Elevator and one with Marshall Elevator Company, for elevator/escalator services that will both expire on December 31, 2014. He advised that the Authority issued an RFP and received three bids in response for a five-year contract with two one-year options for maintenance service at all of our facilities, adding that the Authority's only escalator is located at the First Avenue facility. He advised that Otis Elevator's bid was the lowest at \$443,700 and stated that the bid sheet was attached to the resolution. He also advised that these bids are for a five-year period to be invoiced monthly. He advised that the Authority would realize a monthly savings by contracting with only one vendor and said the Authority is pleased with the quality of services received from Otis Elevator in the past.

Ms. Fabian asked if this amount was just for the monthly maintenance service and asked if parts or the entire elevator were replaced there would be an expense beyond the monthly maintenance cost.

Mr. Onorato advised that replacement of any parts or an entire elevator/escalator would involve an additional cost.

Mr. Cohen asked if the Authority had any idea as to why there would be such a large difference in the bids received and also if the Authority was required to accept the low bid.

Mr. Onorato advised that some of the cause is the size of the job, the size of the bidding company and the capacity of its workforce to maintain the elevators.

Mr. Wrona responded that, in reviewing responses to an RFP, the Authority is required to accept the lowest responsible bid, not just the lowest price. He added that it is up to the staff of the Authority to do its due diligence with regard to the contractor's capacity for responsibility.

Mr. Cohen inquired if all labor costs were included in the bids received.

Mr. Onorato replied that we follow the state-mandated preventive maintenance guideline criteria for monthly maintenance checks on the equipment. He also noted that our elevators generally see more wear and tear than normal office elevators due to their location where people enter the elevator straight from the outside. He stated that the labor costs would increase if there was



more than a normal period of time required to service them. He advised that the Authority's 10-year maintenance projection includes replacement of some elevators.

Mr. Cohen asked if it would be more advantageous for the Authority to purchase new elevators rather than maintaining those currently in service.

Mr. Smith replied that the estimated average cost for a new elevator today is between \$575,000 and \$680,000 per unit and said the maintenance service contract would be unchanged regardless of the age of the equipment.

There were no additional questions or comments.

Upon motion by Mr. Cohen and seconded by Ms. Fabian, Resolution No. 31 of 2014 was approved as follows: Mr. Cohen, yes; Ms. Fabian, yes; Ms. Qureshi, yes.

**RESOLUTION NO. 32 OF OCTOBER 2014, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO APPROVE A CHANGE ORDER TO NATHAN CONTRACTING, LP FOR THE REPAIR AND PREVENTATIVE MAINTENANCE FOR THE SMITHFIELD/LIBERTY PARKING GARAGE,** was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised the Board that Nathan Contracting is on site completing the major deck project, which included repairing a portion of the façade. He advised that this change order, which is initiated by the Authority, is expanding the scope of work by adding an additional section of the façade. He stated that with this change order the cumulative dollar amount of the contract is still below the second-lowest bid received.

Ms. Qureshi stated that she believed that the repairs being done were slab repairs and asked if these repairs were necessary and also if the Authority anticipated additional change orders on this work.

Mr. Holt advised that she is correct in her understanding that the contract was for slab repair but noted that the original scope of work also included some façade work. He stated that the additional work being requested in this resolution was initiated by the Authority because, once the area was exposed, it was determined to be beneficial to improve both the aesthetics as well as improve the general protection of the facility. He said that the Authority does not anticipate any additional change orders but in work where the floors and ceilings are exposed, additional areas of concern may arise that need to be addressed.

Ms. Qureshi advised that she believes that the Authority's policy regarding the Board having to review and approve all changes orders is a very good and useful policy. She said she commends this practice.

Mr. Cohen asked if this type of additional cost was anticipated in the capital budget projections

and how the Authority accounts for the additional costs.

Mr. Holt stated that there is a reserve built into the contract to account for unforeseen developments.

Mr. Onorato added that the this type of repair is anticipated and built into our capital budget. He said we utilize consultants to advise us of the estimated cost of the repairs and we then build that cost into the capital budget, adding that many times the bids come in under budget to allow for some additional flexibility.

Mr. Cohen asked that when the Authority issues an RFP, if it basically has a ballpark estimate of what the repairs should cost.

Mr. Holt replied that we do but we do have to take into account unforeseen issues that usually requires a three-to-four percent contingency to be built in.

Ms. Fabian asked if the current contract was for a multi-year term.

Mr. Onorato advised that this was a contract for one project that spans two calendar years and once the project is completed, we issue payment in full.

Ms. Qureshi asked if there were any questions.

There were no questions or comments.

Upon motion by Mr. Cohen and seconded by Ms. Fabian, Resolution No. 32 of 2014 was approved as follows: Mr. Cohen, yes; Ms. Fabian, yes; Ms. Qureshi, yes.

**RESOLUTION NO. 33 OF OCTOBER 2014, "A RESOLUTION OF THE PUBLIC PARKING AUTHORITY OF PITTSBURGH ADOPTING A POLICY RELATED TO MAINTAINING A BALANCE OF UNENCUMBERED FUNDS EQUAL TO 15 PERCENT OF OPERATING EXPENSES AS OF THE BEGINNING OF EACH FISCAL YEAR OF THE AUTHORITY,** was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised that in early budget discussions with our Board it was recommended that policy be established mandating a fund balance at the beginning of each year in the amount based on the operating expenses of that year.

Ms. Qureshi stated that she believes that this is an excellent idea.

Mr. Cohen agreed, stating that it this policy makes ensures that the Authority's financial solvency.

Ms. Fabian stated that she is very supportive of this policy and said she believes that this is the first real policy this new Board is enacting.

Ms. Qureshi asked if there were any questions.

There were no questions or comments.

Upon motion by Mr. Cohen and seconded by Ms. Fabian, Resolution No. 33 of 2014 was approved as follows: Mr. Cohen, yes; Ms. Fabian, yes; Ms. Qureshi, yes.

**RESOLUTION NO. 34 OF OCTOBER 2014, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO AN AMENDMENT TO PARKING AGREEMENTS BY AND BETWEEN THE AUTHORITY AND THE CITY OF PITTSBURGH,** was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised that several of the City and the Parking Authority Co-Op agreements have expired and our operations are being governed on a month-to-month basis. He advised that the Meter Revenue, the Co-Operation agreement and the Mellon Square agreements have expired and believes it to be best at this time to address the distribution of revenues resulting from the increased meter rates. He stated that it was at City Council's recommendation that the on-street meter rates be increased and it was only right that the City receive a commensurate share of the additional revenue being collected. Mr. Onorato stated that this amendment also takes into account the current terms of the agreements until 2050, the planned life of the Authority, to make them all coincide under one agreement with the exception of the Parking Court Agreement, which is also being adjusted to permit the City to receive an additional 10 percent above the portion it is currently receiving. Mr. Onorato advised that the revisions would be effective beginning in January 2015, and will require the signatures of both the Authority and the City Administration's designated signees.

Mr. Wrona clarified that the current Co-Operation and Meter Revenue agreements actually expire in November 2015, but there is some uncertainty around that termination date that is clarified in this amendment. He said the Mellon Square agreement is indeed on a month-to-month basis as stated.

Ms. Qureshi stated that this is a very important resolution and the Board and public policymakers have been working for some time on provisions of an agreement that will result in the City of Pittsburgh receiving an additional \$5 million in meter revenues per year, based on the rate increases as well as the technology improvements.

Mr. Cohen agreed and stated that the key is the cooperation between the City, the Mayor's Office and the Parking Authority working together collectively to help the City receive more revenue while keeping the Authority solvent. He stated that the job of the Board members from the beginning was to understand all aspects of the Authority's financial position and obligations, and to then make sure that the Authority could contribute the maximum extra revenue to the City at no danger to its own solvency. He said it was clear, that in the short period of time since they were appointed, Board members reached agreements that will give the City an additional \$5 million per year.



He said he feels that it's very important that all entities are on the same page with the goal being to give the City as much money as possible while maintaining a mutually beneficial relationship. He commended the Authority staff and City leaders on a job well done, noting that the new administration came into office in a city that was underfunded and soon realized that the Parking Authority was really the only asset that can help financially. He said it is was critical for the Authority to stay solvent so it can continue to help the City.

Mr. Onorato added that a collective effort over a long period of time to reach was required to reach this end result and thanked all those involved for their cooperation and patience.

Ms. Fabian added that this outcome was months in the making and she is very proud of Mr. Onorato and his team and her fellow Board members for being able to put together this Co-Op amendment and a new policy that protects the financial health of the Parking Authority while contributing a significant amount of money to the City. She also wanted to commend the Mayor's office for working so well with the Board and Administration and said it has been a good partnership.

Ms. Qureshi asked if there were any questions.

There were no questions or comments.

Upon motion by Mr. Cohen and seconded by Ms. Fabian, Resolution No. 34 of 2014 was approved as follows: Mr. Cohen, yes; Ms. Fabian, yes; Ms. Qureshi, yes.

## **OLD/NEW BUSINESS**

Ms. Qureshi asked if there was any old or new business.

Mr. Wrona stated that since Ms. Fabian is not physically present at today's meeting we would need her authorization as Board Secretary to have Mr. Onorato sign the Board resolutions as the Assistant Board Secretary.

Ms. Fabian verbally gave authorization permitting Mr. Onorato to sign the day's resolutions.

Ms. Qureshi asked if there was any additional old or new business.

There was none.

The next Board meeting is scheduled for Thursday, November 20, 2014 at 10:00 a.m.

Upon motion by Mr. Cohen and seconded by Ms. Fabian the meeting was adjourned 10:47 am.

**APPROVED TO CONTENT**

A handwritten signature in black ink, appearing to read "Catt", written above a horizontal line.

**Chairman**

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

A large, stylized handwritten signature in blue ink, written over a horizontal line. The word "Approval" is printed to the left of the signature.

**Approval**