

MINUTES OF THE REGULAR MEETING OF THE
PUBLIC PARKING AUTHORITY OF PITTSBURGH
THURSDAY SEPTEMBER 18, 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 September 18, 2014 at 10:05 a.m. at 232 Boulevard of the Allies, Pittsburgh, PA 15222-1616. The following Board members were present at the start of the meeting: Loralyn Fabian, Cathy Qureshi and Aradhna Oliphant. Jeff Cohen arrived at 10:15 a.m. Present from staff were: David Onorato, Anthony Boule, Christopher Speers, Jo-Ann Williams, Judi DeVito, Chris Holt, Tom Vennero, Janet Staab, Debra Meyer, James Smith, Patrick Osuch and Elaine Russell. 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 Bob Bauder of the Pittsburgh Tribune Review.

MINUTES

Ms. Qureshi asked for approval of the minutes from the regular meeting held on August 21, 2014.

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

PUBLIC COMMENT

There were no public comments.

EXECUTIVE DIRECTOR'S REPORT

Mr. Onorato updated the Board on the progress of the lot improvement project and advised that Homewood/Zenith and Shadyside are completed while work at Douglas/Phillips is approximately 95-percent complete.

Mr. Onorato advised that the work at Smithfield Liberty Garage is proceeding on schedule, noting that the project began approximately two months ago and is anticipated to continue for up to 14 months. He advised that this project is taking approximately 250 spaces per day out of service.

Mr. Onorato advised that the HVAC project at the Wood Allies Offices is completed and staff is currently reviewing the punch list.

Mr. Onorato advised that the City of Pittsburgh has established a bicycle lane on Penn Avenue and the Authority is closely monitoring the garages that are affected by this change. He noted that this was a relatively new development and anticipates that parking patterns will change as people adjust accordingly.

Mr. Onorato shared with the Board a positive correspondence received on behalf of our Residential Parking Permit enforcement operations.

Mr. Onorato reminded the Board that the Authority entered into a dynamic pricing agreement with the City of Pittsburgh and Carnegie Mellon University which adjusts meter rates based on the space utilization on the streets near the University. He said a 50-cent rate increase will take effect September 1, 2014, with most of the areas increasing by that amount. He said Margaret Morrison will increase from \$.75 to \$1.25, Schenley Drive will increase from \$.50 to \$1.00 and Tech Drive will increase from \$1.50 to \$2.00. Mr. Onorato reported that the change will not affect the cost of parking on Frew Street.

Ms. Qureshi asked if this rate increase was requested by Carnegie Mellon University and what the maximum time limits were for these streets.

Mr. Onorato confirmed that CMU did request the change and, per the agreement, City Council gave the Authority the authorization to adjust the rates. He advised that he would advise the Board of the parking time limits in the future.

Ms. Qureshi noted that there are additional community stakeholders that have an interest in this area in terms of the hours and costs of parking.

Mr. Onorato noted that the new bicycle lane at Schenley Drive is affecting the pilot program and said the City is working with both CMU and Phipps to resolve this issue. He advised that the Authority will enforce parking in accordance with the outcome of those discussions.

Ms. Oliphant inquired if Mr. Onorato would speculate as to why CMU would ask for a rate increase.

Mr. Onorato advised that it most likely is based on the school's preferences for space utilization and raising rates will increase vacancies on the street for increased parking turnover.

Mr. Onorato advised that 66 percent of our yearly operating budget is represented through August and revenues are on target with expenses slightly down for that period. He advised that both meter receipts and garage revenues are on target, noting that garage utilization has been monitored closely since the rate increase on August 1st. He advised that even though the garages remain approximately 90-percent full, there have been some changes but with variances below five percent, nothing is surprising or concerning. He stated that after one month of monitoring, trends show that utilization is down, revenues are up, the number of short-term parkers increased and the number of long-term parkers decreased, all of which was anticipated. He advised that we will continue to monitor those trends going forward.

Mr. Onorato advised that the Finance Report reflects the comparison of the revenues to the budget and an additional report shows the amendment to our budget based on the rate increase. He noted that there is a resolution on today's agenda asking for an amendment to the budget and said this report shows the actual numbers based on this resolution being approved. Mr. Onorato reported that based on the original budget, we would be 70 percent over budget on revenues because of the rate increase, but with the amendment we are back in line with our budgeted target on revenues.

Ms. Oliphant asked if the year-to-date budget versus actual, not just year-to-date, could be added to this report going forward. Mr. Onorato stated that we had that data in the report but, per a previous Board request, we changed it to a month-to-month comparison. He said we could add a column to accommodate Ms. Oliphant's request as well.

Mr. Onorato explained that the Facilities Report, which lists revenues January through August year to date net of parking tax, shows a decrease for Smithfield/Liberty due to construction and lost spaces. He stated that the Fort Duquesne and Sixth revenues are up significantly due to the completion of construction in 2013 at that facility.

Ms. Qureshi asked if the August 2013 to August 2014 reports show an increased net revenue to the Parking Authority due to the rate increase and in spite of a slight decline in utilization.

Mr. Onorato confirmed that the report lists revenue net of parking tax and said he attributes the increase in revenue to the rate increase.

Ms. Oliphant asked if we anticipate utilization to increase.

Mr. Onorato advised that we do anticipate utilization to increase and stated that we will monitor this trend and advise the Board accordingly. He stated that the Authority budgeted a 15-percent reduction and increased it by two percent every year.

Mr. Onorato advised that the Enforcement Report indicates that the amount of tickets issued is down slightly and we are currently monitoring and evaluating that information. He noted that a portion of this could be attributed to higher compliance in meter payments resulting from the adoption of new technology.

Ms. Qureshi asked for confirmation of her understanding of the report that for the last several months the amount of tickets issued has declined.

Mr. Onorato confirmed that her understanding is correct and said that the Authority is in the process of evaluating the data and trying to determine the reason or reasons.

Mr. Cohen stated he believes that more patrons are paying more for parking, noting that he himself is doing so. He stated that with having what he believes to be a sizeable decrease in ticket issuance, it appears that it is more of an enforcement problem.

Mr. Onorato stated that the Authority has a report that show how many vehicles' license plates are entered by the officers and stated that it confirms that 80 percent of the vehicles checked are in compliance.

Mr. Cohen inquired if the Authority monitors how many tickets each officer issues each day and if it is questioned as to why there is an increase or decrease per officer.

Mr. Onorato advised that we do track and monitor these reports, how many tickets are issued each day, how many by each officer, average by officer, and the like.

Ms. Oliphant stated in summation that the Authority is tracking the data and making it easier for patrons to pay for their convenience and that the Board doesn't need to be overly concerned. She thanked Mr. Onorato for bringing this to their attention and for tracking the data and for his efficiencies. She stated that she views the trends to be positive and doesn't believe that the Board needs to discuss this in detail at each meeting but to have the Executive Director to continue to monitor the trends and discuss them in detail if needed.

Ms. Qureshi stated that in dollars, if the Authority issues 2500 fewer tickets this year and being conservative at \$20.00 per ticket, the decline equates to \$450,000 that the Authority would not receive. While she doesn't disagree with the other Board members, she stated that the trends do impact the budget and any practices that cause this action do need to be tracked and discussed.

Ms. Fabian inquired why there are zero tickets listed under street cleaning category.

Mr. Onorato advised that street cleaning occurs during April through November only, so other months would have no tickets issued for that infraction. He noted that the Authority supplies the enforcement officers for the City personnel who run the program and said if there is equipment out of service and the daily route is cancelled, the officers scheduled for that duty are reassigned.

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

There were none.

RESOLUTIONS

RESOLUTION NO. 25 OF SEPTEMBER 2014, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO SOLICIT PROPOSALS FOR A PAY-BY-PHONE SYSTEM TO PROVIDE AN ADDITIONAL PAYMENT OPTIONS FOR ON AND OFF STREET METERED PARKING, was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised the Board that this is the next step in the upgrade of the on-street meter technology. He advised that the addition gives patrons the ability to pay for parking by cell phone, rather than going to the meter, and also will allow patrons to add time to an existing payment based on a text message alerting them that their time purchased is about to expire. He advised that this technology can be used in areas where we have single-space meters that also offer the option of paying by credit card.

Ms. Fabian asked if there were different types of platforms or services available and inquired

if we were observing those already in position.

Mr. Onorato replied that the Authority has an idea of the range of service we are seeking to employ from the many levels that are available, but with this process we would bring is a shortlisted number of firms for interviews to explore those they offer that would be beneficial to Pittsburgh. He also stated that there may be a service that is available that we are currently unaware that would require further investigation.

Mr. Cohen said he felt that it is critical for patrons to receive a reminder text on their cell phones alerting them that their parking time was due to expire.

Ms. Oliphant asked which City is our benchmark in this process.

Mr. Onorato replied that Washington DC is a prominent example, together with Scranton and Philadelphia PA. He said that vendors to those locations have reached out to us with interest.

Ms. Fabian asked if the technology was available to pay by computer, not just cell phone.

Mr. Onorato advised that he has not seen that technology to date, but noted that there is a technology called pay-by-sky where the onus is on individuals to purchase a meter and place it in their vehicles to process parking transactions. He stated that he doesn't anticipate many people using this option because of its requirement of a meter purchase.

Mr. Cohen stated that the key for the Authority would to make the fee comparable to the credit card processing fee.

Mr. Onorato advised that the bid would have no capital outlay by the Parking Authority because the firm installing and marketing the program would recoup its investment from the fees charged to individual users.

Mr. Cohen inquired if the Authority would need to pay a fee to the firm.

Mr. Onorato advised that the current fee on average is 35 cents per transaction.

Ms. Oliphant stated that the 35 cents was a convenience charge to the customer and asked when the anticipated start date would be.

Mr. Onorato replied that he anticipates to have this feature implemented within six months.

Upon motion by Ms. Fabian and seconded by Ms. Oliphant, Resolution No. 25 of 2014 was approved as follows: Mr. Cohen, yes; Ms. Fabian, yes; Ms. Oliphant, yes; Ms. Qureshi, yes.

RESOLUTION NO. 26 OF SEPTEMBER 2014, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO NEGOTIATE AND ENTER INTO, ON BEHALF OF THE PUBLIC PARKING AUTHORITY OF PITTSBURGH, A FIFTH AMENDMENT TO THE COMMERCIAL

LEASE AGREEMENT WITH THE PORT AUTHORITY OF ALLEGHENY COUNTY , was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised that Port Authority is one of four commercial tenants at the Mellon Square garage and has been located there for nearly 20 years. He advised that the fourth amendment to the current agreement expires at the end of this year and we are asking for authorization to enter into a new lease for 12 months under the same terms and conditions specified in the existing lease. He advised that the organization's rent is currently \$3,695 per month, or \$44,340 annually, which is \$21.27 per square foot. He advised that the Authority added a six-month termination clause with written notification in anticipation of several changes that may occur within the Smithfield Liberty corridor.

Mr. Cohen asked if the City owns the Mellon Square Garage, and if the Authority collects the revenues.

Mr. Onorato advised that the Authority operates and maintains both the garage and its commercial spaces, which are currently full.

Mr. Cohen inquired about the request for lease spaces from McKnight Realty.

Mr. Onorato advised that an agreement has been worked out with McKnight Realty for 100 parking spaces in the garage, noting the Authority will operate the public and leased spaces and continue to collect the revenues. He noted that McKnight Realty is looking to move into or master lease the retail space as it noted in a request to the City, but said there is no current agreement currently in place. He said that is why we would like to keep our current tenants until a decision is made on the future usage.

Ms. Qureshi noted that her current employer, Pittsburgh Parks Conservancy, works closely with the Pittsburgh Parking Authority on all things pertaining to Mellon Square Garage including the perimeter project, so for that reason she will be abstaining from voting on this resolution.

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

There were none.

Upon motion by Ms. Fabian and seconded by Ms. Oliphant, Resolution No. 26 of 2014 was approved as follows: Mr. Cohen, yes; Ms. Fabian, yes; Ms. Oliphant, yes; Ms. Qureshi, abstained.

RESOLUTION NO. 27 OF SEPTEMBER 2014, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO SOLICIT BIDS FOR ELEVATOR AND ESCALATOR MAINTENANCE SERVICES AT AUTHORITY-OWNED GARAGES, was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised that the maintenance contract is due to expire the end of November and we are asking for authorization to solicit bids for this service. He advised that Wood Allies and Forbes/Semple have Otis Elevator Company perform their maintenance while all of the other garages employ Schindler Elevator. He said the services are critical to the operation of our facilities, noting that maintenance is required at various times throughout the year. He advised that the combined price for both vendors last year was \$106,000.

Ms. Qureshi asked if there was any escalators other than those at the First Avenue Garage.

Mr. Onorato advised that First Avenue Garage is the only one that has an escalator.

There were no additional questions or comments.

Upon motion by Ms. Fabian and seconded by Mr. Cohen, Resolution No. 27 of 2014 was approved as follows: Mr. Cohen, yes; Ms. Fabian, yes; Ms. Oliphant, yes; Ms. Qureshi, yes.

RESOLUTION NO. 28 OF SEPTEMBER 2014, "A RESOLUTION AMENDING THE AUTHORITY'S 2014 GENERAL FUND AND TRUSTEE REVENUE FUND BUDGETS, was read by Ms. Qureshi and considered by the Board.

Mr. Onorato stated that, based on prior Board action to increase the garage rates, the Authority is asking to amend the budget to reflect the additional revenues we will be receiving for the balance of the year. He stated that the two budgets are attached to this resolution, which lists the original budget, the amendments to the budget and the combined new amounts being proposed.

Ms. Fabian asked if we were required to do this.

Mr. Onorato stated that we are not required but believes it is a good action

Ms. Oliphant added that we need to be able to budget against the correct numbers and feels that this is very good practice. She commended the Executive Director and finance staff for addressing the issue.

Ms. Qureshi inquired where the amount of tax payment to the City was shown on the new report.

Ms. Williams responded that the \$566,000 reflected on Page 2 of the General Funds summary is the item in question.

Ms. Qureshi asked if it was correct to say that for five months the Parking Authority will gross an additional \$2,077,000, there will be associated expenses and that the \$610,000 expense referenced includes the increased parking tax.

Mr. Onorato advised that her understanding is correct.

Ms. Qureshi asked if there were any additional questions.

There were no additional questions or comments.

Upon motion by Ms. Fabian and seconded by Ms. Oliphant, Resolution No. 28 of 2014 was approved as follows: Mr. Cohen, yes; Ms. Fabian, yes; Ms. Oliphant, yes; Ms. Qureshi, yes.

OLD/NEW BUSINESS

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

There was none.

The next Board meeting is scheduled for Thursday, October 16, 2014 at 10:00 a.m.

Upon motion by Mr. Cohen and seconded by Ms. Fabian the meeting was adjourned 10:45 am.

APPROVED TO CONTENT



Chairman

ACCEPTED FOR FILING IN THE AUTHORITY'S BOOK OF MINUTES



Approval