The Board of Directors met at 5:00 PM on Monday, April 30, 2007 at the County Human Services Building at One Smithfield Street in the Homestead Grays Board Room. Present were: Mr. Rick Pierchalski, Mr. Dan Griffin, Dr. Herman Jones, Ms. Dusty Kirk, Mr. Stanley Parker, Ms. Connie Yarris, Chief Counsel, Jim Norris, Executive Director, David Donahoe and staff as well as members of the public and news media were also present. Notice of the meeting was published in accordance with the Act and By-laws and on the ARAD Website.

**Public Hearing and Comment Period**

Mr. Pierchalski called the meeting to order and announced that there were several items on the agenda that must be subject to public hearing prior to adoption. He then asked Mr. Donahoe to summarize these items which included a proposed amendment to 2007 budget to fund an increase in ACLA performance audit project and a request of the Pittsburgh Zoo and PPG Aquarium to amend its 2007 capital grant by transferring funds from one project to another.

Mr. Pierchalski asked if there were any comments on these items and there were none. He then called for comment on any matter of district business.

Glenn Walsh of Mt. Lebanon spoke against a proposal to require 24 hour registration for speaking at the public comment period. He also said that the District’s policy of limiting public comments to 15 minutes should be rescinded. Mr. Pierchalski indicated that the fifteen minutes provision which was never enforced by the District was, in fact, being dropped from the policy.

Bob Turley of Pittsburgh spoke against the 24 hour notice for speakers expressing concern about the fact that these deadlines might occur on a Sunday and how speakers would receive confirmations. The chair then asked Mr. Donahoe to read the entire proposal.

Ed Kress of Shaler asked the board to consider accepting applications from volunteer fire companies in lieu of being ordered to fund them by changes to the District act.
John McCarter of Dormont asked the Board to err on the side of openness and not change the procedure for public comments.

Joy Sable of Pittsburgh spoke against the 24 hour notice requirement acknowledging that she was not familiar with all of the changes being proposed.

David Tessitor of Pittsburgh suggested the board should handle public comment periods the same way city council does allowing speakers before and after the business session. He was also against the 24 hour registration notice.

**Minutes**

Mr. Pierchalski asked for consideration of the minutes from the meeting of March 26, 2007 and whether there were any additions or corrections. As there were none, Mr. Parker moved approval with Ms.Yarris seconding and the minutes were approved unanimously.

**Treasurer’s Report**

Mr. Parker gave the following report:

Board Members:

Sales tax revenue received by the District in the first four months of 2007 totaled $25.8 million, about 1.2% higher than received for the same period last year. The revenue is essentially as projected in the 2007 budget. April tax revenue from sales in the weather impacted month of February was unexpectedly positive with growth in Allegheny County sales out pacing the state growth for the first time in a number of months.

Interest earnings in the first quarter total $325,000 or about $100,000 more than the first quarter of 2006. This is due to higher investment rates and a change to deposit certificate investments made last fall. Unless the Federal Reserve drastically reduces rates this year we expect to exceed our interest earning budget and be able to fund budget and program amendments under consideration by the Board from current revenue.

Grant payments of $24.2 million to date are consistent with budget and on schedule. Administrative expenses are also within budget at this time.

Thank you.                      

Stanley J. Parker
Treasurer
There were no questions from the board so the Chair directed that the report be received and filed.

Audit Committee Report

Mr. Pierchalski asked Ms. Yarris to deliver the Audit Committee report:

Board Members:

We offer the following report for the Board’s consideration.

1. **2006 Audit**
   Board members have received a copy of the 2006 audit and it is available for public inspection in the District office. The committee reviewed the audit with George Stagon CPA, lead auditor from McKeever Varga & Senko. Mr. Stagon reported that a clean opinion was issued in connection with the audit and no management letter was issued. This means that the financial statements prepared by management accurately reflected the financial condition of the District at 12/31/2006 and that they found no procedural deficiencies. The District is in compliance with current standards for presentation of financial statements by government entities.

2. **2007 Agreed Upon Procedure Reviews**
   As a part of the District’s oversight function, the Audit Committee, on behalf of the Board, annually selects regional assets for agreed upon procedure reviews. Selected randomly, the asset’s internal records are compared to the information supplied in applications and close out reports. The reviews are conducted by the District’s independent auditor. The Committee has chosen the following assets for review this year: Phipps Conservatory and Botanical Gardens, August Wilson Center for African American Culture, Pittsburgh Symphony and UMOJA.

3. **Audit Contract**
   The first audit engagement with McKeever Varga and Senko ends this year when they complete the agreed upon procedure reviews. Given that they have carried out their duties satisfactorily and at reasonable cost, we are recommending that the Board request that they submit a proposal for a second three year engagement. The proposal will be reviewed by the committee and a recommendation made to the full board later in the year.

   Submitted by
   
   Audit Committee
   Herman Jones, Rob Jones, Connie Yarris

Without objection, Mr. Pierchalski directed staff to seek a proposal from McKeever Varga and Senko for renewal of their services.
Executive Director’s Report

Mr. Pierchalski explained that agreements with the contractual assets require that they engage in five year plan updates and submit them to the District for approval. This evening staff will present their analysis of the plan from the City of Pittsburgh Regional Parks.

The chair asked Mr. Donahoe for his report on Pittsburgh Regional Parks long term plan. Mr. Donahoe gave a brief overview of the following report:

a. Submission of the Long Term Plan – Pittsburgh Regional Parks

City of Pittsburgh Regional Parks
2006-2010

Introduction
The City’s long term plan was prepared by staff of the Departments of Finance, Public Works and Parks.

Mission Statement
The mission – to beautify, preserve and provide quality leisure time, programs and facilities at the four regional parks has remained the same.

Strategic Plan/Direction
The strategic direction also remains the same and includes establishing a new design standard for all park projects and developing stewardship, maintenance and management practices. The prior long term plan was based on a comprehensive master plan project that was completed in 2000 in cooperation with the Pittsburgh Parks Conservancy, citizen task force members and the private sector. It had several guiding principles with the overall goal to establish a strong public-private partnership to reinvigorate the parks. The comprehensive master plan included 8-10 capital projects for each of the four regional parks at a cost that exceeded $50 million per park.

Goals and Objectives
A list of capital projects was included for each regional park.

Enhance entrance to recently renovated field and track at Schenley Park
Construct a new maintenance facility for Schenley Park and Highland Park
Construct a new Frick Environmental Center
Convert existing clay tennis courts to hard surface at Frick Park
Renovate remaining five tennis courts in Highland Park
Convert existing pool to a year round facility in Highland Park
Reconstruct historic cabin in Riverview Park
Repair pool in Riverview Park

Comments
While the goals and objectives are specific, they only relate to capital projects. No time frames were given so we assumed that the projects would be completed by 2010. The comprehensive master plan completed in 2000 had
specific goals that related to management of the parks including increase volunteer efforts, prepare a woodlands management plan, and increase community outreach by Frick Environmental Center.

Financial Projections
Revenues

The total estimated operating costs of the four regional parks is $7 million in 2007 and increases to almost $8 million in 2010. District funds increase from $4.5 million in 2007 to $4.8 million in 2010 or about a 1.5 - 2% increase annually, which is consistent with the information we supplied. Fees increase approximately 5% from $400,000 in 2007 to $460,000 in 2010. Fees include swimming pool, skating rink and permit fees. Frick Nature Center fees increase from $62,000 to $70,000 over the five-year plan. Frick Park is the only park with a substantial revenue source; Henry Clay Frick’s donation included a $2 million endowment. The projections assume $400,000 annually from the Frick Park trust fund. The City makes up the difference between revenues and expenses, which is $1.6 million in 2007 and increases to $2.3 million in 2010.

Expenditures

The District’s grant covers most of the direct costs of the four parks. Salary and benefits is the largest spending area increasing from $2.2 million to $2.6 million or 5% annually. The next largest category is for indirect expenses, which are 30% of total spending. Indirect costs include benefits, payroll taxes, pension contributions and support by other city departments. These expenses increase from $2.1 million to $2.4 million. Other categories of spending for materials, repairs and equipment also increase 5% annually.

Comments

Both the revenue and expenditure projections are conservative. The forecast does not take into account operation of any new facilities like the Schenley Golf Course or a new year round swimming complex at Highland Park. The District was informed at last year’s budget presentation that the City may take back the golf course in 2008 when CMU’s role in the course is slated to end. There was also no reference in the report to any additional regional parks being added to the City system or to directing funding to the Pittsburgh Parks Conservancy, the fundraising arm for the City’s regional parks.

Staff Recommendation

Staff recommends approval of the plan. We also recommend that the city and the county complete a shared service analysis of the two regional parks system prior to the renewal date for the current contractual agreements (January 2010). At a Riverview Park ceremony last November both the Mayor of Pittsburgh and the County Executive are quoted as supporting pooling resources within the regional park systems. The question of joint operation has frequently arisen among District board members as well. We know that not all mergers are good ideas and sometimes do not produce the savings anticipated. The willingness of the executives of these two governments to consider enhanced collaboration is a positive sign and we hope their respective staffs will follow through and believe an endorsement of the review by the District Board will encourage that effort.
Analysis of Prior Plan

The private fundraising effort of the Parks Conservancy, formed in 1996, has raised $20 million for capital projects. Many of the goals in the comprehensive plan did not have time frames but it was envisioned that it would take longer than the five year plan to complete.

One of the recommendations was the establishment of dedicated park maintenance crews. Since 2000 dedicated crews, separate from the street maintenance staff have been responsible for park maintenance in regional and neighborhood parks. The recommendation to add park managers and park rangers for each park has not occurred.

Visitor centers were to be established in all four regional parks. Schenley Park’s visitor center opened in 2001 and is operated by the Pittsburgh Parks Conservancy. This is the only visitor’s center.

The City established a regional parks management committee in 1998 that includes staff members from departments in the City and the Pittsburgh Parks Conservancy. The department of Engineering and Construction is now part of the Public Works department, further consolidating park functions.

A number of capital improvements have occurred. Highland Park Entry Gardens were completed in 2005 and Riverview Park Chapel Shelter restoration began in 2006. In addition, 4.5 acres surrounding the shelter were restored. A new soccer field and track near Schenley Oval opened in April 2007. The original project began as renovation of the track only but a synthetic turf field was included that will last 10-15 years. The feasibility of constructing a family aquatic center in Highland Park was to be explored but this has not occurred. A goal to turn the pool into a year round facility is included in the current plan.

A consultant was hired to implement natural areas management program in partnership with Pittsburgh Parks Conservancy.

In 2002, a fire destroyed most of Frick Environmental Center. Programming has continued and the design process has started. No construction time line has been announced but the Parks Conservancy, the City and the community are developing plans for a building that is estimated to cost $7-10 million. (Insurance proceeds would provide $1.2 million.)

Mr. Donahoe recommended approval of the request and that the city explore shared service opportunities with the county regional parks prior to the renewal date for the contractual asset agreements.

City representatives including Guy Costa, Director of Public Works, Scott Kunka, Director of Finance and Duane Ashley, Parks Director were present to field questions from the board.

In response to Mr. Parker’s question, Mr. Costa advised that $50,000 was allocated to maintain city park playgrounds and that turf replacements were almost completed.
Mr. Ashley responded to Ms. Kirk’s question regarding Frick Park by saying it would take $7 million to rebuild the nature center which was destroyed by fire.

When asked by Ms. Kirk about the possibility of shared services, Mr. Costa replied that they had a good relationship with the county and did share some services now.

In response to a question from the chair, Mr. Kunka advised that the additional regional park announced by the Mayor was not in their five year plan but would be addressed at a later time.

Mr. Griffin asked about the golf course and Mr. Costa replied that it was now run by First Tee, a non profit.

Mr. Parker was informed by Mr. Ashley that the restaurant in the Schenley Park Plaza would open as soon as the city requirements were completed.

Ms. Kirk motioned approval of the City of Pittsburgh Regional Parks long range plan with Mr. Parker seconding the motion. This motion was approved unanimously by the board.

b. Amendment to 2007 budget for performance audit

Ms. Olszak and Ms. Kate Spahr from Olszak Consulting were present to field questions from the board.

Mr. Donahoe advised that, at the District’s request, Olszak Management Consulting had prepared an amendment to the performance audit project providing for on sight individual interviews with each library. The net additional cost would be $18,735. Ms. Olszak and Ms. Kate Spahr from Olszak Consulting were present to field questions from the board.

Ms. Kirk asked why the amount increased so much. Ms. Olszak responded that additional time will be needed to conduct personal interviews. In response to Dr. Jones question, Ms. Olszak said one person would be present from Olszak and 3 to 4 people from each Library will also be invited. Mr. Pierchalski repeated the need for individual interviews held at each library location. Mr. Parker stated that the board was looking to Olszak to come back with a long term solution.

Mr. Parker motioned the 2007 budget be amended by adding $18,735 to the ACLA Performance Audit Project in accordance with the revised budget from Olszak Management Consulting, Inc. and the staff be authorized to
take the necessary steps to implement this approval. This motion was seconded by Ms. Yarris and approved unanimously by the board.

c. Renewal of Chief Counsel Services

Mr. Donahoe presented the amendment to renew the contract for chief counsel’s service for another three years.

Dr. Jones moved that the District reappoint Mr. James Norris and the firm of Eckert Seamans Cherin and Mellot to serve as Chief Counsel for the District for a three year term commencing June 1, 2007 in accordance with their proposal dated March 23, 2007 the terms of which shall be made part of the record. He also move that staff be authorized to take the necessary steps to implement this approval. Ms. Kirk seconded the motion and it was unanimously approved by the board.

The terms of the engagement are as follows:

**Routine Legal Work**

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The retainer shall include routine expense charges and copying charges of up to $200 per month.

**Extraordinary Legal Work (as previously defined)**

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d. Appointment of evaluation panel for 2008 annual grants

Mr. Donahoe informed the board that he had a very good response from the Advisory Board for volunteers to help evaluate the 2008 grants. Dr. Gail Edwards, Liane Norman, Rich Betters, Jonathan Cox, Dave Graffam, Marilyn Coleman, Charles Spence, Pam Golden Charilie Jarrett, John Denny, Susan Golomb, F. Dok Harris and Davie Huddleston all volunteered their services. Ms. Yarris motioned approval of the advisory board volunteers with Mr. Griffin seconding the motion. This was unanimously approved by the board.

e. Amendment to public comment policy adding 24 hour registration notice.
Mr. Donahoe advised that in reviewing the current public comment procedure it was determined that several changes were needed. The main change would be the addition of a 24 hour registration notice. This would allow for improved management of the meeting and eliminate concerns raised by persons arriving late at meetings, sometimes following the comment period. The policy would also drop a never enforced provision limiting public comments to fifteen minutes. He pointed out that the agenda is now posted at least five days in advance on the internet and that e mails and phone calls to the District were “time stamped” so there would be no problem created for Sunday deadlines. The proposal mirrors the procedures followed by County Council.

The chair asked each board member if they felt the proposal would be a burden to the public. None felt it would and Mr. Griffin added security concerns to the reasons for the change. Mr. Parker suggested that the Board might consider changing the deadline to the morning of the day of the meeting and offered 10:30 AM as a possibility. Ms. Kirk added that the requirement should be clearly stated on our web site.

The Board accepted Mr. Parker’s suggestion and he moved the adoption of the following policy. It was seconded by Ms. Yarris and passed unanimously.

1. Time will be set aside at each business meeting of the Board of Directors to obtain public comment from residents of Allegheny County on matters of official action or concern which are or may be before the Board of Directors. Items to be considered for action at the meeting will be heard before they are taken under consideration.

2. Persons who wish to make comment will register by 10:30am the day of the scheduled meeting at which they plan to speak. Registration may be made by phone, fax, mail or email and should include name, municipality of residence, phone number and topic.

3. Each person will be allotted three minutes to make comment. The time period limitation will not include time to respond to questions raised by Board members. At all times speakers will be offered the opportunity to submit comments in writing and the Executive Director will see that each Board member receives a copy.

4. All notices of regular or special meetings shall contain language concerning the availability of the public comment period and procedures.

e. Pittsburgh Zoo and PPG Aquarium request to amend the 2007 capital grant by transferring funds from one project to another.
Ms. Jackie Vincunas, CFO of the Pittsburgh Zoo and PPG Aquarium, was present to answer questions from the board.

Mr. Donahoe informed the board that the Zoo was asking for a transfer of $6,000 from purchase of an animal food cooler to additional paving. There would be no change in the total grant of $150,000.

Ms. Yarris motioned approval with Mr. Parker seconding and it was unanimously approved by the board.

**Adjournment**

As there was no old/new business, the meeting was adjourned at 6:30PM.