

**Minutes of the
Regular Board Meeting
Of the Pittsburgh Water and Sewer Authority
Held on September 27, 2019**

This Regular Monthly Board Meeting of The Pittsburgh Water and Sewer Authority, having been duly advertised in accordance with the Sunshine Act, was called to order on September 27, 2019, at approximately 10:00 a.m., in the First Floor Board Room, 1200 Penn Avenue, Pittsburgh, Pennsylvania 15222.

The following members of the Board were present: Paul Leger, Chaton Turner, Margaret Lanier, Jim Turner.

Absent were Michael Domach and Deborah Gross.

Present from staff: Robert Weimar, Debby Gibson, Julie Quigley, Visavarut Sayakanit, Rachel Romano, Edward Barca, Jennifer Presutti, Alex Sciulli, Tasha Butler, Jason Smith, Giuseppe Sciulli, Jason Felser, Paul Spara, Thoryn Simpson, Dan Duffy, Nicole Dickun, Hali Hetz, Will Pickering, Ken Katzinger, Tiffany Patton, Felicia Mazza, Brad McShane, Lisa Czar, Rick Obermeier, Barry King.

Also present was Solicitor Danny Cerrone of Clark Hill, Tony Blanc of BC, Rocky Craley of Raftelis, Lois Hudah resident, Samson Aklog of Metco, Herb Higginbotham of HDR, Glen Stephens of GSI, Ashish Gupta of GSI, David Troianos of GAI, Don Carpenter of Drummond Carpenter, Jamie North of DLZ, Bob Kirkley of DLZ, Lee Mullon of Drummond Carpenter, Gerald Dull of Crawford Consulting, Mark Buchenic of Prime AE Group, Kellie Rotunno of RZO Consulting, Tim Dean of AECOM, Amy Kaminski of Mulberry, Dennis Kisson of WRA, Mallory Griffin of JMT, Susan Cohen resident of the Run, Homer Craig of Hazelwood Initiative, Matt Peters of Hazelwood Initiative, Donald Cooper of One PA, Jon Graham of AIG, Madeline Weiss of Clean Water Action, Dan David of Skelly and Loy, Rachel Paul of MBE, Brody Tunno of MBE, Heather Dodson of MBI, Ralph Gilbert of Jacobs, Alexis Meier of E Holdings, Erin Dudley of E Holdings, Margaret Krauss of WESA, Renee Farrow of Architectural Innovation, Bill Muva of RHEA, Paul Ionadi of Dynotec, Melissa McSwigan resident, Andy McSwigan resident, Tom Edwards of WSP, Janai Smith of E Holdings, Tom Prusak of Hatch, Frederick Douglas of Cosmos, LaSaine Latimore of One PA, Heather McClain of One PA, Gavin White of Pittsburgh Parks Conservancy, Aly Shaw of Pgh. United, Tammi Halapin of Collective Efforts, LLC, Jeff Rossi of ATC Group Services, Lauren Terpak of MS Consultants, Jason McBride of Wade Trim, Kathy Chavara of Mott MacDonald, Dylan Bortin of Gannett Fleming, Sara Woida of Skelly and Loy, Josh Malby of PPT, Bryan Martucci of HR Gray, Tassi Bisers of Our Water Our Rivers, Matt Sickles of GAI Consultants, Irvin Williams of E Holdings, Lola Stanley resident, Justin Macey resident 4 Mile Run, David Hamburger resident 4 Mile Run, Ray Gerard of 4 Mile Run Watershed, Barbara Warick of 4 Mile Run.

EXECUTIVE SESSIONS

Chairperson Leger informed the attendees that an Executive Session was held prior to the start of the Regular Board Meeting wherein no votes were taken. Legal and personnel matters were discussed.

CALL FOR PUBLIC COMMENT There were ten speakers presenting to the Board. Resident Lola Stanley wished to express her concern regarding billing issues, staffing, and curb box matters. Justin Macey, David Hamburger, Ray Gerard, Homer Craig, Susan Cohen, Matt Peters, and Barbara Warick spoke on behalf of the residents of 4 Mile Run (Greenfield) and Hazelwood areas. They asked that PWSA focus and proceed on the stormwater flooding abatement of 4 Mile Run as it is a serious health and safety issue for the residents in that community and to de-couple from the City of Pittsburgh's proposed commuter project (Mon Oakland Connector) through this neighborhood. Melissa McSwigan and Andy McSwigan addressed the Board about the inequity of meter sizes as opposed to household size and requested PWSA encourage and promote conservation efforts from residents.

APPROVAL OF THE MINUTES

Chairperson Leger entertained a motion to approve the Minutes from the Regular Board Meeting held on July 26, 2019 and the Special Board Meetings held on August 8, 2019 and September 6, 2019. Mr. Turner so moved, and Ms. Lanier seconded the motion.

No discussion held. The Minutes were unanimously approved.

FINANCIAL REPORT

Jennifer Presutti, Budget Director of the Finance Department, presented the report on the August 2019 Financials. The current year-to-date receipts are up over this time last year. Expenditures have also increased for the month. On a cash basis for 2019, PWSA is projecting a surplus for the year. Capital spending has been steady for the year as well.

Mr. Turner stated that the Engineering and Construction expenses are well below last year. He inquired whether there was any concern over this. Ms. Presutti stated that there is no concern. The majority of the lower expense is due to lower salaries. Mr. Turner agreed that the debt service was substantially higher this year because the PWSA is converting debt. He stated that the deficit year to date is currently about \$6 million and inquired as to the year-end forecast. Ms. Presutti responded that more than likely, PWSA will end slightly below that of 2019. The \$6 million deficit will be positive by year's end. The amount is due to a large debt payment that PWSA made in August.

Mr. Turner inquired whether it was PWSA's intention to continue to have an operating line of credit. Ms. Presutti responded no. PWSA is in a better cash position and no longer needs this operating line of credit.

Ms. Presutti continued with updates for Finance. Today the Finance Department will request your approval of the Capital Budget and the CIP and will request your approval for the Operating Budget during your October Meeting. We are asking for your approval early this year to allow

time to prepare for PUC planning. We are continuing to apply for additional PENNVEST funding and are seeking other state funding opportunities. The Finance Department will begin to work with all departments to ensure that our many reporting requirements are completed for our compliance plan and other initiatives under the PUC. The Procurement team will implement a new solicitation tool that will allow for better vendor and contract management, as well as automate our manual process.

ENGINEERING REPORT

Barry King, Director of Engineering, presented the report for the Engineering Department. PWSA has submitted the certificate of construction completion on August 28, 2019 in accordance with the PA DEP's 2017 Administrative Order for the membrane filtration plant ultraviolet system (MFP UV). The PA DEP did their final field inspection of PWSA's facilities on September 12th and 13th. The PWSA received the State's summary of their inspection findings on Wednesday the 25th. The physical modifications of the facilities are complete. The electronics, code and programming remain to be completed. This project is a one of a kind in the State of Pennsylvania. The initial work on this project began in 2001, and a lot of the technologies have changed since the inception of the project. There have been challenges integrating the existing membrane system with these newer technologies.

Mr. Weimar stated that the difficulty PWSA is having is that PWSA has not been able to run the plant to see where all of the updates might be needed. The State wants the plant running perfectly before it is allowed to run at all. There is no need for major changes, but it is that integration piece that PWSA probably underestimated in the development of the project. He stated that PWSA is looking at between 6 and 8 weeks to finish these. Mr. Turner asked if something serious would happen that PWSA would need to put that reservoir in service, could PWSA do so quickly? Mr. King and Mr. Weimar answered yes.

REPORT OF THE EXECUTIVE DIRECTOR

Robert Weimar, Executive Director, explained the details of his report. Giuseppe Sculli of the Finance Department presented an award to the Board and announced that PWSA was the winner of this year's e-Builder 2019 Innovation in Construction Award. The Innovators in Construction Award recognizes owner organizations that demonstrate excellence in using technology to efficiently manage and execute projects, ultimately freeing up resources that can be reinvested in the organization. PWSA was recognized in the Public Infrastructure category recognizing the Lead Service Line replacement project. Robert Weimar and Will Pickering presented a Certificate of Recognition and a Banner to the Board that was received by PWSA at the recent WEFTEC (Water Environment Federation's Technical Exhibition and Conference) held in Chicago. PWSA's recognition is for September 2019 in the area of Partnering and Engagement as a Water Resources Utility of the Future Today for innovative and forward-thinking practices that are providing sustainable, efficient, and value-added services to the community.

Executive Director Weimar then presented the gold water drop pins and certificates to the following PWSA employees who were recognized by their peers as going above and beyond in their line of work: Kenneth Katzinger of Operations, Richard Sayakanit of MIS, Tiffany Patton of Finance, Felicia Mazza of Finance, Brad McShane of Engineering, Lisa Czar of Engineering, Tasha

Butler of Lead, Jason Smith of Lead and Nicole Dickun of Procurement. Congratulations to the hard work and effort of our team.

RESOLUTIONS

No. 166 of 2019 Approve and Adopt the 2020-2024 Capital Improvement Plan

Ed Barca, Deputy Director of Finance, explained the details of this Resolution. The five-year CIP includes over \$1.0 billion in capital projects. Approving the CIP will allow PWSA management and staff to complete projects that will help to comply with regulatory requirements, restore infrastructure, and provide reliable services. Specifically, the projects included in the CIP provides funding for projects related to the PA DEP Consent Order and Agreement that the PWSA Board of Director’s approved on September 6, 2019, all ongoing PA DEP Administrative Orders, and PA PUC Compliance Plan and Long-Term Infrastructure Improvement Plan (LTIIP).

Chairperson Leger entertained a motion to approve for discussion. Ms. Turner so moved, and Mr. Turner seconded the motion.

Mr. Turner requested a list of the projects that were not able to be funded at this point and time. Mr. Barca will provide the list.

No further discussion held. Board unanimously approved, and the Resolution was adopted.

No. 167 of 2019 Approving the Financial Assistance Application to be Submitted to the Pennsylvania Infrastructure Investment Authority “PENNVEST”

Ed Barca, Deputy Director of Finance, explained the details of this Resolution. PWSA will be submitting a financial assistance application to PENNVEST for the purpose of funding the Small Diameter Water Main Replacement Program. Based on discussions with PENNVEST, the submitted application can be for three years of funding. The Small Diameter Water Main Program mileage to be installed will increase over the coming years due to PA PUC requirements and the need to replace infrastructure that is beyond its useful life. Funding from PENNVEST would provide a dedicated funding source to fund these capital needs.

Chairperson Leger entered a motion to approve for discussion. Ms. Turner so moved, and Ms. Lanier seconded the motion.

The Board unanimously approved, and the Resolution was adopted.

No. 168 of 2019 Approving the Award of a Professional Services Agreement (Operating) for Professional Auditing Services to Maher Duessel

Operating Funding: \$247,500.00

Rachel Romano, Senior Finance Manager, explained the details of this Resolution. The existing contract that the Authority has for Professional Auditing Services ends on December 31, 2019. The Authority issued an RFP in July of 2019 soliciting firms to submit proposals to perform the Authority's audit for 2019, 2020, and 2021, with option years for 2022 and 2023. Of the four proposals received, the best value proposal was submitted by Maher Duessel. In addition to the financial audit, the fee includes assistance with GASB implementation, annual CPE seminars and periodic meetings at the request of the Authority to discuss matters pertaining to the implementation of a new ERP system, as well as the conversion of the chart of accounts to conform with PUC standards.

Chairperson Leger entertained a motion to approve for discussion. Ms. Turner so moved, and Ms. Lanier seconded the motion.

Mr. Turner stated that sometimes you need to change auditors. Ms. Lanier requested that the PWSA consider someone that is familiar with your records and GASB requirements. It is always good to get a new perspective. Mr. Leger stated that it is more difficult to get auditors to bid on public audits for public agencies.

No further discussion held. Board unanimously approved, and the Resolution was adopted.

No. 169 of 2019 Approving the Award of a Professional Services Agreement (Operating) for the Financial, Compliance, and Performance Improvement Services to Raftelis Financial Consultants, Inc.

Funding: Operating Budget \$3,816,465.00

Jennifer Presutti, Director of Finance, explained the details of this Resolution. The existing contract with Raftelis ends on September 30, 2019. The Authority issued an RFP in July of 2019 soliciting firms to submit proposals to perform the Authority's rate model and other deliverables for PUC filings, including the Compliance Plan and LTIP, for October 2019 through September 2022. Of the two proposals received, the best value

proposal was submitted by Raftelis. This agreement would be for a three-year term.

Chairperson Leger entertained a motion to approve for discussion. Ms. Turner so moved, and Mr. Turner seconded the motion.

No further discussion held. Board unanimously approved, and the Resolution was adopted.

No. 170 of 2019 Approving an MIS Incident Response Policy

Jason Felser, Senior Manager of Information Technology, explained the details of this Resolution. This policy will provide for cybersecurity preparation, response, and recovery procedures in order to protect the organization's IT assets, systems and data. This policy was created with the assistance of Homeland Security's recommendations.

Chairperson Leger entertained a motion to approve for discussion. Ms. Lanier so moved, and Mr. Turner seconded the motion.

Mr. Leger stated that if this is approved, he wanted to make sure that the City's Department of Public Safety receives a copy.

No further discussion held. Board unanimously approved, and the Resolution was adopted.

No. 171 of 2019 Awarding an Operating Contract to Piggyback CCAP Contract No. 2014-IT0001 for Microsoft Licensing and Upgrade

Funding: Operating Budget \$453,845.25

Jason Felser, Senior Manager of Information Technology, explained the details of this Resolution. On November 30, 2019, the Microsoft agreement with the Authority will expire. PWSA is able to partner with CCAP in order to get the most cost-effective pricing available. This contract supports Outlook and Exchange, Office 365, Windows 10, most of PWSA's server operating systems and the configuration and management software used to maintain PWSA's desktop and laptop computers.

Chairperson Leger entertained a motion to approve for discussion. Mr. Turner so moved, and Ms. Turner seconded the motion.

No discussion held. Board unanimously approved, and the Resolution was adopted.

No. 172 of 2019 Approving a Change Order for the Operating Contract for Debris Removal from the Howard Street Dewatering Pit, PWSA Project No. PWSA107, to Carry the Contract Through the End of the Term

Funding: Operating Budget \$63,000.00

Rick Obermeier, Chief of Operations, explained the details of this Resolution. The additional funding is required due to the unusually large amount of debris that has been removed from sewers and catch basins since the contract began in December of 2018.

Chairperson Leger entertained a motion to approve for discussion. Mr. Turner so moved, and Ms. Turner seconded the motion.

Mr. Leger inquired as to the percentage increase to the contract. Mr. Weimar stated approximately 50 percent. The reason is because more work is being done, and there is more cleanup than usual.

No further discussion held. Board unanimously approved, and the Resolution was adopted.

No. 173 of 2019 Approving the Amendment to PWSA103-Security Officer Services to Include an Additional Officer and Hours at the Highland Park Reservoir to Satisfy DEP Permit Requirements and Add an Additional Guard at the Water Treatment Plant to Improve Protection

Funding: Operating Budget \$728,198

Rick Obermeier, Chief of Operations, explained the details of this Resolution. With the addition of the new Orthophosphate buildings and systems, it has been deemed necessary to have two security officers patrol the grounds from 1500-0700 on weekdays and 24/7 on weekends. Adding additional coverage at the Treatment Plant is in line with security procedures at other local facilities.

Chairperson Leger entertained a motion to approve for discussion. Ms. Lanier so moved, and Ms. Turner seconded the motion.

No discussion held. Board unanimously approved, and the Resolution was adopted.

No. 174 of 2019 Approving an Amendment of a Professional Services Task Order (Capital) for South Side Green/Stormwater, PWSA Project No. 2019-GI-100-0, to Ethos Collaborative

Funding: Capital Budget \$474,834.48

Barry King, Director of Engineering, explained the details of this Resolution. Preliminary design has been completed for the South Side Park Stormwater management work. Final design will include the management of up to 14 impervious acres of runoff within the park using a combination of surface and subsurface stormwater storage and conveyance. This design is being coordinated with the City's design of the South Side Park Master Plan Phase 1 work. This project is anticipated to manage 11.48 million gallons of stormwater runoff in a typical year and have an estimated reduction of 9.1 million gallons of combined sewer overflow in the M-16 Watershed.

Chairperson Leger entertained a motion to approve for discussion. Ms. Turner so moved, and Ms. Lanier seconded the motion.

No discussion held. Board unanimously approved, and the Resolution was adopted.

No. 175 of 2019 Approving the Award of a Professional Services Agreement for Engineering Design Services for the Highland No. 2 Reservoir Liner and Cover Replacement, PWSA Project No. 2019-323-102-0, to Arcadis, Inc.

Funding: Capital Budget \$669,900.00

Barry King, Director of Engineering, explained the details of this Resolution. The scope of work for this task order includes professional engineering services related to replacing the cover and liner system at the Highland 2 Reservoir. This agreement is for preliminary design and engineering services, final design service, stakeholder coordination and outreach, bidding phase assistance, engineering support during construction, and commissioning phase assistance. This project is one of the Critical Projects identified in the September 6, 2019 approved Water Program Consent Order and Agreement negotiated between the PA DEP and PWSA.

Chairperson Leger entertained a motion to approve for discussion. Mr. Turner so moved, and Ms. Turner seconded the motion.

No discussion held. Board unanimously approved, and the Resolution was adopted.

No. 176 of 2019 Approving an Amendment of a Professional Services Agreement for Thomas and McPherson Green Infrastructure, PWSA Project No. 2018-GI-106-0, to Wade Trim

Funding: Capital Budget \$254,000.00

Barry King, Director of Engineering, explained the details of this Resolution. This work is for final design of green stormwater infrastructure for managing 12.3 impervious acres. This task order amendment request is for the additional cost to increase final design from managing 6 impervious acres with Green Stormwater Infrastructure to 12.3 impervious acres in the Point Breeze North Neighborhood, within the A-42 Sewershed. This project is anticipated to manage 10.0 million gallons of stormwater runoff in a typical year and have an estimated reduction of 5.54 million gallons of combined sewer overflows in the A-42 Sewershed.

Chairperson Leger entertained a motion to approve for discussion. Ms. Lanier so moved, and Ms. Turner seconded the motion.

No discussion held. Board unanimously approved, and the Resolution was adopted.

No. 177 of 2019 Approving an Amendment of the Board-Approved Capital Budget and Amendments of Multiple Professional Services Agreements for the Highland Park Membrane Filtration Plant UV System, PWSA Project No. 2017-322-106-0, to Hatch Associates Consultants, Inc.

Funding: Capital Budget Cumulative \$241,300.00

Barry King, Director of Engineering, explained the details of this Resolution. The request is for the additional task order fees is based on an increase in the project construction value; the use of PWSA's SCADA Manager to handle the integration, which was not feasible based on promotion of staff; increased regular and overtime hours to support the project to meet PA DEP mandated deadline and increased effort to coordinate subcontractors to manage additional scope, design issues and change orders.

Chairperson Leger entertained a motion to approve for discussion. Ms. Lanier so moved, and Ms. Turner seconded the motion.

No discussion held. Board unanimously approved, and the Resolution was adopted.

No. 178 of 2019 Approving an Amendment of the Board-Approved 2019 Capital Budget and a Change Order of a Capital Contract for Highland Reservoir 1 Parapet Wall Repairs, PWSA Project No. 2017-322-106-1, to Arch Masonry & Restoration

Funding: Capital Budget \$75,000.00

Barry King, Director of Engineering, explained the details of this Resolution. This amendment is for additional costs associated with Owner-directed changes. The requested additions to the project scope are to clean, cover, or otherwise remove existing graffiti from the handrail on the parapet wall to restore the handrail at the same time as the structural repairs to the concrete parapet wall originally covered in the scope of this project.

Chairperson Leger entertained a motion to approve for discussion. Ms. Lanier so moved, and Ms. Turner seconded the motion.

No discussion held. Board unanimously approved, and the Resolution was adopted.

No. 179 of 2019 Approving the Award for Multiple Operating Contracts for Construction Agreement and Task Orders for Lanpher Supply Main Leak Assessment and Repair

Funding: Operating Budget \$675,300.00

Barry King, Director of Engineering, explained the details of this Resolution. Multiple operating contracts are recommended for construction contract for Lanpher Supply Main Leak assessment and repair, task order for CM/CI services and task order for professional design services during construction.

Chairperson Leger entertained a motion to approve for discussion. Mr. Turner so moved, and Ms. Lanier and Ms. Turner seconded the motion.

No discussion held. Board unanimously approved, and the Resolution was adopted.

No. 180 of 2019 Approving the Award of a Professional Services Agreement (Capital) for Engineering Services for 2019 Chlorine Booster Station Improvements, PWSA Project No. 2019-323-101-0, to Mott MacDonald

Funding: Capital Budget \$1,297,462.54

Barry King, Director of Engineering, explained the details of this Resolution. The scope of work for this task order includes professional engineering services related to replacing chlorine feed system equipment and buildings at six of the existing chlorine booster stations throughout PWSA's system. This Agreement is specifically for the pilot study, preliminary design engineering services, final design service, stakeholder coordination and outreach, bidding phase assistance, engineering support during construction, and commissioning phase assistance.

Chairperson Leger entertained a motion to approve for discussion. Mr. Turner so moved, and Ms. Turner seconded the motion.

No discussion held. Board unanimously approved, and the Resolution was adopted.

No. 181 of 2019 Approving the Equal Opportunity Policy Update

Alex Sciulli, Chief of Program Management, explained the details of this Resolution. PWSA wants to enhance its commitment to encouraging diverse business participation in contracts, professional services, and vendor supply. The last policy was adopted in 2017. This policy update requires monitoring and compliance on all PWSA contracts, regardless of budget, and requires a good faith effort to subcontract to MBE/WBE/VBE/SDVBE for all responsive firms. This policy also strengthens the reporting and outreach efforts from PWSA to the Board.

Chairperson Leger entertained a motion to approve for discussion. Ms. Turner so moved, and Ms. Lanier seconded the motion.

Ms. Turner stated she is really excited about this and thinks the community should be excited about this as well. It is about increasing opportunity and transparency and also accountability on the part of PWSA so that PWSA actually achieves the goals that were set and hold PWSA contractors responsible for the goals that they identify at the beginning of the contracting process. Mr. Leger stated that the constant reporting to the Board is a big feature of this policy. This is something that is new and will allow PWSA to monitor the progress of how the policy is working.

No further discussion held. Board unanimously approved, and the Resolution was adopted.

NEW BUSINESS

No. 182 of 2019 Approval for Payment of Invoices to the Pennsylvania Public Utility Commission for Annual Water and Sewer General Assessments

Funding: Operating Budget \$953,170.00

Robert Weimar, Executive Director, explained the details of this Resolution. As a result of Legislative Acts of 2017, PWSA became the first Municipal Water and Sewer Authority to be placed under the jurisdiction of the Pennsylvania Public Utility Commission (PUC). Under the PUC jurisdiction, PWSA must pay a General Assessment Fee for the Fiscal Year period of July 1, 2019 to June 30, 2020.

Chairperson Leger entertained a motion to approve for discussion. Ms. Turner so moved, and Ms. Lanier seconded the motion.

No discussion held. Board unanimously approved, and the Resolution was adopted.

Mr. Leger asked Mr. Sciulli to return to the podium as Mr. Turner wanted a briefing about the Four Mile Run Project and the City's Mon Oakland Connector Project. Mr. Sciulli stated that the Board has approved \$41 million for the design and construction of the Four Mile Run Project. It is a complicated project with many stakeholders (foundations, universities, hospitals and other businesses). The public in general is opposed to the road (Mon Oakland Connector). PWSA's focus is on the stormwater project. PWSA does not control what happens outside of that domain. We have bids from three different contractors to start early action work on the Bridle Trail and Overlook Drive, which is one of the principle routes for the water to run down the hillsides and get into the Naylor run area. People have expressed that they want the road and the stormwater project disconnected. The plan is to start construction next year.

ADJOURNMENT OF THE MONTHLY BOARD MEETING
Chairperson Leger adjourned the meeting.

The next scheduled Board Meeting will take place on Friday, October 25, 2019 at 10 AM.

James Turner, Secretary