

**Minutes of the
Regular Board Meeting
(Via Audio Teleconference)
Of the Pittsburgh Water and Sewer Authority
Held on October 23, 2020**

This Regular Board Meeting of The Pittsburgh Water and Sewer Authority, having been duly advertised in accordance with the Sunshine Act, was called to order on Friday, October 23, 2020, at approximately 10:00 a.m., via audio teleconference.

ROLL CALL - All Members of the Board were present.

Participants from PWSA: Will Pickering, Jennifer Presutti, Debby Gibson, Debbie Lestitian, Edward Barca, Barry King, Jason Felser, Raquel Ludinich, Faith Wydra, Rick Obermeier, BJ McFaddin, Alex Sciulli, and Susan Kemery.

Also present was Solicitor Mark Nowak of Clark Hill.

There were an additional 47 confirmed participants who were on the call, in listening mode.

PUBLIC COMMENT – There were 3 speakers who addressed the Board today. Mr. John Musgrave, Ms. Karen Toole, and Councilwoman Deborah Gross who all wished to discuss line replacement issues on Bunkerhill Street in Highland Park.

EXECUTIVE SESSIONS

Executive Session was held prior to the Board Meeting, wherein legal and personnel matters were discussed. No votes were taken.

APPROVAL OF THE MINUTES

Chair Leger entertained a motion to approve the Minutes from the Regular Board Meeting held on September 25, 2020. Mr. Turner so moved, Ms. Strassburger seconded the motion.

No discussion held. The Minutes were unanimously approved.

FINANCIAL REPORT

Edward Barca, Director of Finance, explained the details of this report. Included in your board packet is the finance report through September 30, 2020.

Year-to-date collections are down 2.9 percent while operating expenses have remained steady. This bounce back in revenues is encouraging considering that the COVID-19 pandemic is still ongoing.

Our cash balance has remained steady and our capital expenses continue to outpace last year. I anticipate that our capital expenses will continue to ramp up in the coming months barring any major construction work stoppages caused by COVID-19.

The PWSA has filed a proposed settlement with the Pennsylvania Public Utility Commission (“PUC”) regarding its 2021 water and wastewater rate proposal. The settlement is still to be reviewed by the presiding PUC administrative law judges as well as the full Commission with a final decision expected on or before January 14, 2021. The settlement includes a 5.7 percent total increase in base water and wastewater charges, and a 5 percent distribution system improvement charge (“DSIC”) for both water and wastewater. The rate increase will result in a \$14,150,000 increase in water revenue and a \$4,850,000 increase in wastewater revenue. Also included in this proposed settlement is the expansion of the PWSA’s customer assistance programs.

Lastly, the PWSA has submitted a Water Infrastructure Finance and Innovation Act (WIFIA) Letter of Interest for the purpose of funding the replacement of the Clearwell. WIFIA is a low-cost funding program that is administered by the US Environmental Protection Agency. It is anticipated that the WIFIA program will have a decision on which projects to invite to submit an application by the end of this year or early in January 2021.

ENGINEERING REPORT

Barry King, Director of Engineering, presented the details of this report.

Regarding our Water Main and Lead Service Line Replacements:

- To date, the total pipe installed under the 2020 SDWMR Program: is 6.1 miles (32,000 LF), or 40 percent of the total 15.2 miles (80,200 LF) planned. Concurrently, we have replaced over 450 public lead service lines, and 70 private side. For reference, we are at 26 percent of the total schedule for the project. Work is ongoing in throughout the city.

As for prior LSLR Program:

- All work under the 2019 LSLR program will be complete this week.
- Under this project, we replaced over 4,500 public and over 3,500 private lead service lines and confirmed that another 3,600 locations already had a public non-lead service line.
- For the overall LSLR Program, to date, as of 10/22/20, we have replaced over approx. 8,000 public and 5,100 private LSLRs.

As for the COA Projects:

- *Aspinwall Pump Station and Bruecken Pump Station Update:*
 - We have completed the preliminary condition assessments of representative pumps at both the Aspinwall Pump Station and Bruecken Pump Station. Representative pumps were removed from service, fully disassembled, and inspected. The purpose of these inspections was to determine whether the pumps can be successfully rehabilitated or if their condition would dictate that they should be replaced entirely. We will have a recommendation in the coming months.

- *Rising Mains #3 and #4 Rehabilitation and Replacement Update:*
 - Another monumental example of the significant coordination between the Departments of Operations, Engineering, and Compliance was the inspection of the approx. 110 year young Rising Mains #3 and #4 that interconnect the Bruecken Pump Station and Highland No. 2 Reservoir for the COA Rehabilitation and Replacement Project.
 - The 1.2-mile-long Rising Main #3, was inspected in September 2020 and the 1.4-mile-long Rising Main #4, was inspected in August. Under this assessment, each rising main was first inspected using specialty high-tech inspection tools that were inserted into the pipe to analyze the pipe condition. Each rising main was then fully isolated, drained of water and then inspected physically by trained experts entering these 48" to 50" diameter pipes, traversed the length to inspect the condition of the interior of each pipe.
 - Teams of both pipe experts and trained fireman for health and safety measures had entered Rising Main #3, traversing under the length of the zoo, crawling for a long distance documenting conditions and exiting out the hillside on the other side of the zoo. This process was repeated for the length of both mains.
 - Note, we are still awaiting formal results. However, preliminarily, we did find damage to RM4 as a result of excess material placed over the pipe in the area near the Zoo's Education Center. This will require lining this portion of the main with carbon fiber.

REPORT OF THE EXECUTIVE DIRECTOR

Will Pickering, Executive Director, presented the details of this report. We are racing against the weather to close out our restoration season. I want to say "thank you" to the public for their patience for temporary disruptions for the generational improvements to our water and sewer infrastructure. Earlier this month we kicked off the Homeowner Reimbursement Program. This means that customers who privately replace their lead service lines, using their own contractor or plumber, are eligible to be reimbursed for up to 100 percent of those expenses. This is an income-based program. As long as the project costs \$1,000, they would be reimbursed \$1,000 regardless of income. This rounds out our Lead Service Line offerings. Customers can go to our website for more information. I was honored to accept the March of Dimes Special Project Award for PWSA removing the risk of lead in water. On September 30th, we announced a proposed settlement for our PUC Rate Case for rates that would be effective next year. We would generate an additional \$19 million in funding for all of our initiatives that we know we need, while we are also lowering the total bill based on our existing rates for our low-income customers. I want to commend the Board for setting the expectation that we continue to consider our most vulnerable customers as we are also looking for additional resources. Yesterday I participated in a discussion at the World Water Tech America virtual conference. I was joined by utility representatives from Tucson and Phoenix. The panel was moderated by a Stanford University scholar. I was actually joined by the Director of the WIFIA Program. It was an excellent opportunity for use to showcase our Lead Service Line Replacement Program, as well as everything else we are doing as an organization focusing on investing in our water quality improvements and our aging infrastructure. I got some really good feedback from that presentation. And finally, I want to round out with the performance metrics. We do have a performance dashboard available on our website. We track nearly 100 metrics and provide an abbreviated listing of these to our Board. I want to highlight

our speed at Contact Center performance. This is the time it takes on average for our contact center to answer customers calls. We have a goal of 1 minute, which is based on industry standards. In the last month, we averaged a 13 second time of answer. We have exceeded our target for the entire year. The reason I wanted to call out this metric is because, as most of us remember, we are all working from home, including our contact center. Our folks are still answering the calls and addressing the concerns of our customers regardless of maybe having to contend with home life. We are also adding a Quality Assurance live monitoring portion for our management to monitor to make sure we are not only answering those calls but addressing them in a respectful and responsive way. I have been meeting with the Customer Service Teams this week in their weekly meetings and getting to know them better and really just have been so impressed with their dedication to the organization. The amount of progress we have made over the last few years in that department is definitely a testament to our Director, Julie Quigley.

Chair Leger: In comment for this first Resolution in which we are continuing the moratorium on Water Service Terminations. Please, if you know people who can qualify for any of our programs, please get them to apply. We have money and we want to spend that money on these programs.

RESOLUTIONS

No. 122 of 2020 Extending the Moratorium on Water Service Terminations to Protect Residential Customers

Approval is requested to extend the current moratorium on water service terminations due to nonpayment through March 31, 2021 for all Residential Customers. The blanket termination moratorium was lifted by the Pennsylvania Public Utility Commission (PUC) effective November 9, 2020.

Chair Leger entertained a motion to approve for discussion. Ms. Strassburger so moved, and Ms. Leber seconded the motion.

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

No. 123 of 2020 Approving the Award of a Professional Services Agreement for Enterprise Resource Planning (ERP) System, Implementation, and Support Services to VertexOne

Funding: Operating Budget \$12,425,126.00

PWSA needs to obtain an enterprise-wide software solution that will provide the organization with access to the data and resources required to streamline processes and run more efficient business operations.

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

Mr. Leger: This is a very difficult and costly implementation, but it is necessary. When do you think this will be finished and operational?

Mr. Felser: We are looking at a 19-month implementation. Should be operational sometime in 2022.

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

No. 124 of 2020 Approving the Award of a Professional Services Agreement to the Law Firm of Beveridge and Diamond for the Negotiation of Regulatory Orders with the Environmental Protection Agency (EPA)

Funding: Operating Budget \$643.500.00

This professional services agreement is for the scope of lead negotiator on behalf of PWSA with Region 3 of the Environmental Protection Agency. The negotiations will likely result in Administrative Orders and/or Consent Orders of Agreement with the EPA which may bind PWSA to wastewater and storm water requirements for several decades including the types of projects, timelines, and rate expenditures. The internal planning for these negotiations will continue through the 4th quarter of 2020. The negotiations with the EPA officials are expected to begin in early 2021.

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

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

No. 125 of 2020 Approving the Agreement Regarding Roles and Responsibilities as They Relate to Municipal Separate Storm System (MS4) Compliance Within the City of Pittsburgh

The City of Pittsburgh and the PWSA are co-permittees on the National Pollutant Discharge Elimination System (NPDES) Individual Permit to Discharge Stormwater from Small Municipal Separate Storm Sewer Systems (MS4s), NPDES Permit No. PAI136133. This permit became effective on July 1, 2020 and will expire at midnight on June 30, 2025. This agreement would allow for distribution of responsibilities as required to meet the minimum control measures required by this permit.

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

Mr. Leger: Is there any in this agreement at the front?

Ms. Wydra: There is no cost to generate the agreement. The costs will be associated with following the minimum control measures required by the agreement.

Mr. Leger: So, failure to participate in MS4 could cost us money or failure of the City to participate could cost us money?

Ms. Wydra: That is correct.

Mr. Turner: It is my understanding that we still will need a separate legal agreement with the City for our overall stormwater project and that this is predominantly for the MS4 compliance. It does not mean we are done dealing with the City on these issues.

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

No. 126 of 2020 Approving the Amendment of a Professional Services Agreement to CWM Environmental, Inc. for Laboratory Management and Testing

Funding: Operating Budget \$667,666.68

PWSA entered into an agreement with CWM Environmental and recently extended that agreement. Staff is requesting an amendment to that contract, expanding CWM's budget to cover the cost of the approved contract entered into under Board Resolution 37 from February 21, 2020. This will fulfill the contract extended to February of 2021.

Chair Leger entertained a motion to approve for discussion. Mr. Domach so moved, and Ms. Strassburger seconded the motion.

Mr. Turner: How long do we envision that we will be using CWM for the lab management and testing?

Ms. Wydra: This current contract is set to end at the end of February of 2021. We currently have a posting and have been interviewing laboratory managers so we can assume the management position within the laboratory. We have also reached out to the EPA Bureau of Lab Accreditation to work on moving the accreditation from CWM Environmental to PWSA.

Mr. Leger: If we approve this addition to the contract, for how long does that extend the contract?

Ms. Wydra: The contract was extended earlier this year by Board Resolution #37 on February 21, 2020. Unfortunately, the contract was extended with no additional funds added. It will end in February 2021.

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

No. 127 of 2020 Approving an Amendment of a Professional Services Agreement for Design and Design Services During Construction for Aspinwall Utility Water Improvements (as Part of the Aspinwall Treatment Plant Pretreatment Chemical System and Clarification Improvements Project) to Arcadis, Inc.

Funding: Capital Budget \$106,896.00

This amendment is necessary to address the Owner-requested (Operations staff) expansion of the limits of work identified under the original PSA to design the replacement of additional deteriorated piping, electrical, and instrumentation and controls. These were identified during the completion of the final design. Based on the projected construction schedule and existing scope of services, it was determined that the existing design services during construction would be insufficient to cover the additional requested design tasks.

Chair Leger entertained a motion to approve for discussion. Jim Turner so moved, and Ms. Strassburger seconded the motion.

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

No. 128 of 2020 Approving the Award of a Professional Services Agreement for Third Party Review: Clearwell Emergency Response and Pump Station Improvements (On-Call) Project to Mott MacDonald, LLC.

Funding: Capital Budget \$424,882.01

A third party review is essential to projects of such a critical nature as the bypass of the single-celled Clearwell and the rehabilitation of the two primary pump stations (Aspinwall and Bruecken) that supply water to the entire service area. These projects are once in a generation-type projects and proper oversight by qualified experts is recommended. Mott MacDonald has a significant amount of design and study time on these three facilities over the last five years and has an unparalleled team for addressing the TPTRS for these three projects.

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

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

No. 129 of 2020 Approving an Amendment of a Professional Services Agreement for Design and Design Services during Construction for Powdered Activated Carbon Improvements (as part of the Aspinwall Treatment Plant Pretreatment Chemical System and Clarification Improvements Project) to Arcadis, Inc.

Funding: Capital Budget \$100,258.40

This amendment addresses the Owner-requested changes not in the original scope of work: design and construction of a permanent personnel platform (a permanent platform must be designed and stamped by a structural engineer); request for engineering consultant to draft the Standard Operating Procedure manual for the operations and maintenance of the improved PAC system, and additional labor to complete added shop drawing reviews and revisions above and beyond what was estimated in the original scope of work.

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

Mr. Domach: What is the calculation as far as before and after cost and water quality benefits?

Barry King: We are addressing some of the water quality issues regarding taste and odor, but also the ability to reach the TTHM requirements both now and potential changes in the future. Everything is under the pre-treatment program budget.

Mr. Leger: Barry, this is a filtration process, and any powdered chemicals used for filtration remind me of the problems we encountered with DEP. We do not have any of those problems with powdered charcoal, do we?

Mr. King: No, we do not.

Mr. Turner: There was a low supplier diversity of 5.3 percent on this contract and none actual to date. I ask that you continue to monitor this.

Mr. Pickering: I just want to reinforce that we are following up through our Performance Improvement Manager, who is responsible for checking in with our consultant partners to make sure they are living up to their goals.

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

**No. 130 of 2020 Approving the Award of a Capital Contract for Planning and Design of the
2021 Small Diameter Water Main Replacement Contract A to East Woods
Consultants, LLC**

Funding: Capital Budget \$290,200.00

This work is related to continued consulting services for lead service line replacements (LSLR) by the current LSLR Program Manager, Dan Duffy (a/k/a East Woods Consultants, LLC).

Chair Leger entertained a motion to approve for discussion. Ms. Strassburger so moved, and Mr. Domach seconded the motion.

Mr. Leger: Where does the lead program go now? Is Dan still running that or is someone else?

Mr. King: Dan will now be more overseeing the combined efforts for all elements with regard to the small diameter water main replacement, as well as the lead service line program as we wrap them into one.

Mr. Pickering: Dan will still continue to be involved in our community response lead committee, which is now a PUC mandated group which consults on lead issues and our lead program, as well as manage all of our compliance activities and weighing in as they impact our lead programs as well. He has been invaluable there.

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

Mr. Leger: Between now and the next Board Meeting, I will be sending out a list of committees that do exist for Board Members to see if they want to join any of those committees. I will take recommendations if you feel the need for any new committees.

ADJOURNMENT OF THE MONTHLY BOARD MEETING

Chair Leger entertained a motion to adjourn the Board Meeting. Mr. Turner so moved, and Mr. Domach seconded the motion.

The next scheduled Board Meeting will take place on Friday, November 13, 2020.

Jim Turner

James Turner, Secretary