

**Minutes of the
Regular Board Meeting
(Via Audio Teleconference)
Of the Pittsburgh Water and Sewer Authority
Held on August 27, 2021**

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, August 27, 2021, at approximately 10:00 a.m., via audio teleconference.

ROLL CALL – 8 Members of the Board were present. Ms. McCormick Barron was absent.

Participants from PWSA: Will Pickering, Debby Gibson, Jennifer Presutti, Raquel Ludinich, Barry King, Edward Barca, Rick Obermeier, BJ McFaddin, Rebecca Zito, Giuseppe Sciulli, Logan Carmichael, Frank Sidari

Also, present was Solicitor Mark Nowak of Clark Hill.

There was a total of 57 participants on the call.

PUBLIC COMMENT – Apalaya Ubahhianu of the Beltzhoover neighborhood in Pittsburgh to discuss rights of Aborigine Americans with regard to water.

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 Sciulli entertained a motion to approve the Minutes from the Regular Board Meeting held on July 23, 2021. Mr. Turner so moved, and Dr. Murrell seconded the motion.

No discussion held. The Minutes were unanimously approved.

FINANCIAL REPORT

Edward Barca, Director of Finance presented the details of this report.

The year-to-date receipts are up 6.6% or approximately \$8.7 million. This increase in revenues is due to the rate increase implemented earlier this year and the continued economic recovery from the COVID-19 pandemic. In addition, our capital expenses and cash balance have remained steady.

There will be a Board Education Session held later this year to review the proposed 2022 Operating Budget before it is presented to the Board for approval at the November or December Board meeting.

Mr. Turner: Can you estimate now where we stand in terms of ending the year both on a cash basis and when we would next need to do a bond issue?

Mr. Barca: We are anticipating a \$70 million dollar cash balance at the end of this year. That is subject to change. We anticipate in February or March of 2022 issuing a bond to continue our capital program. The approximate size of that bond issue is going to be about \$100 million.

ENGINEERING REPORT

Barry King, Director of Engineering, presented the details of this report. Progress continues on our Small Diameter Water Main Replacement Program. As of Friday, August 20th, we have completed the installation of approximately 77,700 LF, which is all of the planned watermain piping replacements under the open 2019 and 2020 Small Diameter Water Main Replacement Contracts. The only outstanding work item consists of watermain final connections and tie-ins and final surface restoration, which will continue through the projected completion in November 2021. Contractors have replaced a total of 595 public-side and 470 private-side lead service lines, with a total of 2,038 public-side service lines (including lead and non-lead) having been completed in total. The total Supplier Diversity Participation to date is over \$4.6MM, achieving an 11.8% actual participation, exceeding the original commitment of 10.4%.

The watermain replacement project in support of the Port Authority's Bus Rapid Transit (BRT) Project continues. Our contractors have replaced approximately 11,700 LF of main, which is 61% of the planned waterline replacement. Note, 22 public-side service lines have been completed, of which 5 were public-side lead service lines replacements and 2 private-side side lead lines replacements.

Progress continues to be made on the PWSA Water Reliability Plan Projects, including the:

- Ongoing design efforts for the Aspinwall and Bruecken Pump Station Improvement Projects and the Aspinwall WTP Clearwell Bypass Project. A Constructability Review Workshop was conducted on August 25th. We are currently on track to complete the submissions of both the 90% Design Packages, as well as the PADEP Public Water Supply Construction Permit Applications for all 3 WRP Projects by Thursday, September 30, 2021.
- Construction Kickoff meetings have been completed for both the Rising Main 3 Rehabilitation and Replacement Project and Highland No. 2 Reservoir Cover and Liner Replacement Project.

Regarding our Stormwater Program, Will Pickering and PWSA staff participated with Mayor Peduto in a ground-breaking ceremony for the Thomas and McPherson Stormwater Project in North Point Breeze for the construction of new stormwater infrastructure under the wide medians of Thomas and McPherson Boulevards and on North Dallas Avenue, North Linden

Avenue, and Starling Way, along with water main and lead service line replacements concurrently.

And finally, with regard to PWSA's open solicitations, an Invitation for Bids is currently open for the:

- 2021 Washout Disconnection Contract, which is due by September 20, 2021

Mr. Turner: The Board has been concerned over the years about single points of failure. The Clearwell Project is a huge example. Prior to year-end, please give us a report on the remaining "single points of failure" and what we are doing about them and the time frame for eliminating them.

Ms. Leber: As a new Board member, that is the first time I have heard the term "washout". Can you explain?

Mr. King: For many of our large-diameter water mains, based on their proximity within the right-of-way and their depth, we have to have an ability to be able to drain such a large body of water for maintenance purposes. Historically what was incorporated into the design and construction of those facilities was a washout (an air-gaped ability for you to be able to drain through the actuation of a valve the large-diameter main into a receiving sanitary sewer or other body).

REPORT OF THE CHIEF EXECUTIVE OFFICER

Will Pickering, Chief Executive Officer, explained the details of this report. The call handling rate in the month of July in Dispatch and Customer Service was slightly below our previous metrics. We are right at target, but I did want to make you aware of the footnoted issue that we received a flood of calls due to the water main break in Mt. Washington. That impacted over 5,000 customers and unexpectedly resulted in a wave of phone calls to our Dispatch Center. We did have an incident last week where we lost power from Duquesne Light at one of the critical pumping stations. I want to commend our team for acting quickly to move us over to generator power and without us losing water service. Thanks to our Operations team, our Manager out at the Plant, our electrician, and our manager at the microfiltration plant, who responded immediately and triaged the situation to fill the gap between the time Duquesne Light was able to restore service. I would also like to recognize the staff across the organization for putting together many hours of hard work as we have worked toward our tariff filing with the Public Utility Commission.

We are back wearing masks again. We are doing everything we can to encourage vaccinations (with an addition of a requirement for vaccinations for new employees), and we are continuing to follow what other similar employers are doing, as well as the City and County governments to make sure our policies in lock step with what is the most protective for our customers and our employees.

Mayor Peduto put forward a proclamation designating the month Sewer Awareness Month. I want to commend the Public Affairs team for trying to elevate this part of our infrastructure that we often neglect. The men and women in our field operations, primarily out of our Howard Street yard, are working increasingly more on very difficult situations. If you go to our website, we have a video explaining why you should only flush truly flushable items into our sewer system.

We have made great progress in getting job openings filled and more importantly getting those positions filled with the right people who are qualified, which is the key to our success moving forward. I want to commend the HR team, who is led by Logan Carmichael.

We had a groundbreaking on the Thomas and McPherson Green Stormwater Infrastructure Project that also included lead service line replacements. Mayor Peduto attended, as well as our Board Member Michael Domach. The Mayor acknowledged the Board and staff for our efforts in preserving our water system and turning things around. Arguably, most importantly, we had a representative from the community who commended PWSA on our interaction with them and coordination on the project itself. We currently have over 17 green stormwater infrastructure projects that are either under design or undergoing construction.

In closing, I would like to recognize our Document Management team that has been with us for about a year and half behind the scenes working to digitize, upload and preserve our historical information and records. Neal Manganaro and Alicia Britton have managed over 175,000 individual construction and operations documents. They have indexed over 17,000 records that were held at the City of Pittsburgh. They are also training internally to make sure this information is uploaded into a usable system for staff to find it when they need it.

Mr. Turner: Just a thank you to Will and the entire staff of PWSA for continuing the operations in unprecedented times.

Mr. Sciulli: Will's tenure has coincided almost exactly with the pandemic, and the longer the pandemic goes on, the more we are impressed with Will and his team and the work they do on a regular basis.

RESOLUTIONS

No. 105 of 2021 Requesting Authorization for Will Pickering, CEO and PWSA's Legal Counsel to Continue to Negotiate the Administrative Agreement with the United States Environmental Protection Agency Suspension and Debarment Division, and Authorizing Will Pickering, CEO, to Give Final Approval of and Execute that Agreement

This Resolution is to request the continued negotiation between the CEO and PWSA's Legal counsel with the United States EPA Suspension and Debarment Division, and upon completion of the final agreement and review by the Board Chair, authorize the CEO to sign said agreement.

Chair Sciulli entertained a motion to approve for discussion. Mr. Turner so moved, and Dr. Murrell seconded the motion.

Mr. Turner: While it is unusual to give approval ahead of time, the Board has seen the draft agreement and the time frame is such that it needs to be done quickly. I am comfortable moving forward knowing that both Will and our Chair Alex Sciulli will be reviewing the final changes.

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

No. 106 of 2021 Approving the Award of Water and Sewer Inventory Supplies to Bingham and Taylor Corporation, Core & Main LP, EJ USA, Inc., Ferguson Waterworks, LB Water Services, Inc., National Road Utility Supply, Inc., Pipelines Inc., and Trumbull Industries

Funding: Operating Budget not-to-exceed \$9,163,161.87

The inventory supplies include street repaving sewer risers and lids, ductile iron pipe and fittings, ductile iron transition couplings, tapping and gate valves, tapping sleeves, stainless steel repair clamps, PVC sewer pipe, brass fittings, and hydrants. This is a do-not-exceed amount that will be spent in 2021 and 2022.

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

Mr. Turner: We are hearing about all the supply chain disruptions. Are there any supply issues that we are concerned about with these disruptions?

Mr. Obermeier: Not really.

Ms. Leber: Can you please explain again why we are looking at \$9 million, but only anticipate spending a little over \$1 million? What's the reason for the gap between the two figures?

Mr. Obermeier: We get prices on items so that the cost is locked in for the year.

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

No. 107 of 2021 Approving an Amendment of a Professional Services Agreement for the Corporate Monitor Project to Cornwell Engineering Group, Inc.

Funding: Operating Budget \$1,510,000.00

The hiring of a Corporate Monitor is a requirement set forth by the Pennsylvania Office of Attorney General's conditions for Pre-Disposition Remediation Resolution (PDRR) dated July 15, 2020. The scope of work to be performed by the Corporate Monitor was set forth by the PAOAG and the Pennsylvania Department of Protection (PADEP) with the approval of the Allegheny County Court of Common Pleas.

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

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

No. 108 of 2021 Approving a Change Order of a Capital Contract for Emergency Clarifier Repairs – Clarifiers No. 1, 2 & 4, to Wayne Crouse

Funding: Capital Budget \$161,066.22

Multiple delays occurred in the completion of the Emergency Clarifier Repairs project as a result of emergency repairs that arose in other clarifier basins while addressing clarifier #2 above the base scope of work.

Chair Sciulli entertained a motion to approve for discussion. Ms. Leber so moved, and Mr. Thomas seconded the motion.

Dr. Murrell: Because this went through the emergency procurement action, the issue of the party diversity as related to the project was not applied. Does that status just naturally transfer over, or how do we address it when

it comes to a change order where we get an opportunity for that to be looked at again?

Mr. King: To date, when a contract has been awarded under an emergency procurement action, we have not required them to get additional supplier diversity for change orders, but we have encouraged them to do so.

Dr. Murrell: I think it is something I suggest we look at for the future. One action for an emergency makes sense, but I think with a change order, it may give us sufficient time to be able to look at that for the goals of PWSA.

Mr. Turner: Are there other lessons to be learned from a contract that has now had a 64% increase from the original award?

Mr. King: Yes. This is one of the first times that we have had under the current grouping of staff in both operations and engineering for a vertical infrastructure. Most of our projects over the last 10 years have dealt with buried, horizontal infrastructure. With this project, there were lessons learned. When we do not have the ability to completely inspect infrastructure prior to the bidding of the work, there should be a greater contingency applied to the budget for that project.

Mr. Sciulli: Our own staff has worked diligently on repairs to the clarifiers that saved thousands of dollars. Obviously, some of this work needs to be done by professionals, but this has been a joint project by staff and contractors over a long period of time.

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

No. 109 of 2021 Approving the Award of a Professional Services Agreement for Design and Engineering Services for the 2022 Large Diameter Sewer Rehabilitation Project to GPD Group

Funding: Capital Budget \$292,061.26

The scope of work includes the analysis and subsequent rehabilitation (as required) of approximately 1,600 feet of large diameter sewers (between 60 and 120 inches in diameter). The sewer segments discharge into an ALCOSAN pump station, approximately one mile downstream from the West End Bridge, and extend upward toward the Sheraden and Crafton Heights neighborhoods.

Chair Sciulli entertained a motion to approve for discussion. Mr. Turner so moved, and Ms. Leber seconded the motion.

Mr. Turner: I am impressed with the process that PWSA uses in terms of professional services agreements.

Mr. Sciulli: I would like the Board to know that I am abstaining from this vote. Prior to my appointment on the Board, I was retained by GPD as an independent consultant to assist with business development activities unrelated to PWSA. Therefore, I am recusing myself from this vote.

No further discussion held. Board approved by 7 votes, Chair Sciulli abstained, and Ms. McCormick Barron is absent. The Resolution was adopted.

No. 110 of 2021 Approving the Award for the Construction of the 2021 Manhole and Point Repair – OPS Project to A. Folino Construction, and a Professional Services Agreement for Construction Management/Construction Inspection (CM/CI) Services to Whitman, Requardt & Associates, LLP

Funding: Cumulative Operating Budget \$2,368,145.35

The scope of this project involves the repair of existing sewers or installation of manholes, catch basins, and inlets in the public sewer system, including storm, sanitary and combined sewer facilities at various locations throughout the City of Pittsburgh.

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

Mr. Turner: In looking at this Resolution, there were two bidders that were within 1% of each other. Because this is not a professional services agreement, we may not have that much flexibility in this case, but it would be nice if we could look at supplier diversity numbers to break the deadlock. I would like to see if we could explore if we have that kind of flexibility for future Resolutions.

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

No. 111 of 2021 Approving a Change Order of a Capital Contract for Construction of 2020 Catch Basin and Inlet Replacement Contract to A. Folino Construction

Funding: Capital Budget \$1,200,000.00

The scope of work is to address replacement of collapsed, hazardous or old catch basins and inlet infrastructure. Due to the age of many catch basins, which have exceeded useful life expectancy, and historic long-term deferred maintenance throughout the system, continued replacement is necessary.

Chair Sciulli entertained a motion to approve for discussion. Ms. Leber so moved, and Mr. Thomas seconded the motion.

Mr. Domach: In looking at the bid tab, why was one company picked over the other?

Mr. King: We still have work with Facchiano that remains under their existing contract, so this is just adding additional crews to perform the work since they are now available.

Mr. Turner: I have already heard from legal counsel that we have to go with the low bid. With respect to this particular Resolution, I had a little bit of concern that their actual supplier diversity number of 3.4% was substantially below the commitment they made at 10%.

Mr. Pickering: We did recognize that in reviewing this Resolution, and the team has circled back with A. Folino to have them re-up their commitment. Their explanation for their previous performance was that they were not able to get the utilization out of their SDP qualified firm for trucking. Assuming that this amendment is going to be approved, they are going to allocate more costs to their flagging and other SDP vendors to get them back on track with their commitment. We will continue to monitor this going forward.

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

No. 112 of 2021 Approving an Amendment of a Professional Services Agreement for Engineering Services for the Four Mile Run Stormwater Improvement Project to ms consultants

Funding: Capital Budget \$98,047.25

Additional modeling activities for the Four Mile Run Stormwater Improvement Project are required to support PWSA's application for ALCOSAN's GROW Funding, to respond to review questions raised by the PADEP in their permit review comments, and to help address level of service issues that have been raised during PADEP review and public comments.

Chair Sciulli entertained a motion to approve for discussion. Dr. Murrell so moved, and Mr. Turner seconded the motion.

Mr. Sciulli: Similar to my position on Resolution 109, I am recusing myself from voting on this Resolution as I have served in an advisory capacity for business development purposes for work unrelated to PWSA.

No further discussion held. The Board approved by 7 votes, Chair Sciulli abstained, and Ms. McCormick Barron is absent. The Resolution was adopted.

No. 113 of 2021 Approving a Change Order of a Capital Contract for Construction of the Woods Run Stream Inflow – Mairdale Avenue Project to Eisler Landscapes

Funding: Capital Budget \$476,006.50

In the winter of 2019/2020, a landslide occurred on the eastern slope of Riverview Avenue above the recently constructed bio-retention basin. Geotechnical investigations were completed, and the design engineer developed drawings to repair and stabilize the slope. This requested increase will fund the construction work needed to stabilize the hillside and restore the bio-retention basin.

Chair Sciulli entertained a motion to approve for discussion. Mr. Turner so moved, and Ms. Leber seconded the motion.

Mr. Turner: This is a large percentage increase. Are there any lessons learned on this Resolution?

Mr. King: We know the recent trend of weather events significantly contributed to this project. Any project where we have a cut and fill in the vicinity of any slopes, we will have a clear geotechnical engineer scope written and required on all to assess and address cut slopes and any potential impact of landslide deposits within the project area.

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

No. 114 of 2021 Approving Entering Into a Grant Agreement with the Richard King Mellon Foundation for Developing a Strategic Plan for Stormwater Program

The Richard King Mellon Foundation has approved a grant to the Pittsburgh Water and Sewer Authority for \$100,000.00 to support the engagement of a visionary project team by the PWSA and the City of Pittsburgh to develop a strategic stormwater master plan to create a global model that would serve as Pittsburgh's blueprint to address local water challenges.

Chair Sciulli entertained a motion to approve for discussion. Dr. Murrell so moved, and Ms. Cristello seconded the motion.

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

ADJOURNMENT OF THE MONTHLY BOARD MEETING

Chair Sciulli entertained a motion to adjourn the Board Meeting. Dr. Murrell so moved, and Mr. Thomas seconded the motion. No discussion held.

The next scheduled Regular Board Meeting will take place on Friday, September 24, 2021.

Jim Turner

James Turner, Secretary