

**Minutes of the
Regular Board Meeting
(Via Audio Teleconference)
Of the Pittsburgh Water and Sewer Authority
Held on October 22, 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, October 22, 2021, at approximately 10:00 a.m., via audio teleconference.

ROLL CALL – Eight (8) Members of the Board were present. Mr. Domach was absent.

Participants from PWSA: Will Pickering, Debby Gibson, Jennifer Presutti, Raquel Ludinich, Barry King, Rachel Romano, Julie Quigley, William McFaddin, Rick Obermeier, Rebecca Zito, Logan Carmichael, Faith Wydra, Emily Pontarelli, Rachel Rampa, Shannon Barkley, Tony Igwe.

Also, present was Solicitor Mark Nowak of Clark Hill.

There was a total of 62 participants on the call.

PUBLIC COMMENT – Ms. Ziggy Edwards and Mr. Ray Gerard of Four Mile Run regarding Four Mile Run Watershed Plan and Mon-Oakland Connector Project.

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 September 24, 2021. Mr. Thomas so moved, and Ms. Strassburger seconded the motion.

No discussion held. The Minutes were unanimously approved.

FINANCIAL REPORT

Rachel Romano, Senior Manager/Finance Controller presented the details of this report.

PWSA's financial status continues to improve as compared to the last year, with year-to-date receipts up 8.7% or approximately \$15.4 million. In addition, the cash balance is higher than at this point last year, and capital expenses have remained steady.

PWSA has received two funding offers from PennVEST this week. The first is a \$36.3 million loan to fund sewer rehabilitation projects. The interest rate for this loan is 1% for the first five

years, and 1.743% starting at year six through the remaining 20 years of the loan. The second is a \$1.8 million loan with a 1% interest rate and a \$2.8 million grant to continue PWSA's lead service line replacements. These awards combined will save ratepayers over \$40.0 million compared to issuing traditional revenue bonds.

The 2022 Operating Budget will be brought to the Board for approval in December. There will be an education session scheduled in November for the Board to review the proposed operating budget prior to voting to approve it in December.

ENGINEERING REPORT

Barry King, Director of Engineering, presented the details of this report. We are nearing the end of the current slate of 2019 and 2020 Small Diameter Water Main Replacement Construction Projects. As of Friday, Oct. 15th, we are coming to the end of the open 2019 and 2020 Small Diameter Water Main Replacement Contracts.

PWSA's contractors (Mele and Mele, Zottola, and Folino) have completed the installation of approximately 78,700 linear feet of the planned watermain piping replacements under the open 2019 and 2020 Small Diameter Water Main Replacement Contracts. In total, our Contractors have replaced a total of 2,114 public-side service lines (99%), of which 626 were public-side lead service line replacements. In addition, they replaced 488 private-side lead service lines. The total Supplier Diversity Participation to date is now over \$5.5 million, achieving a 12.4% 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 over 14,300 linear feet of main of the planned waterline replacement. Note, 80 public-side service lines have been completed, of which 19 were public-side lead service line replacements and 12 were private-side lead service line replacements.

Our progress continues on PWSA's Water Reliability Plan Projects, including the:

- Successful submission of the PADEP Public Water Supply Permit Applications for the Aspinwall and Bruecken Pump Station Improvement Projects, and the Clearwell Bypass Project. We received notice from DEP on October 1st that the application package was deemed Administratively Complete and was being moved into Technical Review.
- With regard to other WRP projects, material manufacturing and fabrication are underway for the cover and liner for the Highland No. 2 Reservoir.

Several preliminary construction efforts are beginning for the Rising Main 3 Rehabilitation and Replacement Project, including the work associated with lining the Lanpher Supply Main, and preparations for installation of a large valve on Rising Main 4. The Engineering Design Team for the WRP Projects presented on Water Infrastructure Improvement Projects to the Highland Park Community Council. Several Invitations for Bids and Requests for Proposals are currently open and, on the street.

REPORT OF THE CHIEF EXECUTIVE OFFICER

Will Pickering, Chief Executive Officer, explained the details of this report. The PennVEST award included low interest loans and importantly a \$2.8-million grant. That is 100% funding for us to replace lead service lines, as well as rehabilitate over 30 miles of our sewers, many of which are over 100 years old. In pursuing the PennVEST funding and with the support at the local, state, and federal levels for these awards, we were able to offset over \$40 million in costs to our ratepayers. We will continue to pursue any opportunity that exists for federal money to offset the need for rate increases. A press release was issued this week for a milestone reached by PWSA for enrolling over 5,000 customers in the bill discount program. This is over a 60% improvement from 2019, in large part due to the efforts of the Cares Team within Customer Service. Our Small Diameter Meter Replacement Program has also exceeded 5,000 replacements (5,400 for the calendar year) and are on track to beat last year's replacement numbers. These are residential meters that allow for more accurate billing for the customers. On October 21st we recognized "Imagine a Day without Water," which is a national initiative aimed at educating the general public about the value of water. Children wrote essays on what a day without water would mean to them. There was a 12-part series about PWSA in Public Source, the online media platform. I want to emphasize how much progress has been made at PWSA over the last few years, and to affirm the commitment of PWSA's leadership team, which is growing and professionalizing each day. You have my personal commitment, and I speak on behalf of the entire team, that we are steadfast in continuing to improve on behalf of our customers and to develop that public trust.

Chair Sciulli requested a motion to un-table Resolutions 122 and 123 as old business from the September 24, 2021, Board of Director's Meeting. Ms. McCormick Barron so moved, and Mr. Thomas seconded the motion. No discussion held. The Board unanimously approved, and Resolutions 122 and 123 were placed back on the table.

RESOLUTIONS

No. 122 of 2021 (Old Business)	Approving the Award of a Professional Services Agreement for Construction Management and Inspection Services for the 2022 Small Diameter Sewer Rehabilitation Contract 1 Project to Mott MacDonald, LLC.
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Funding: Capital Budget \$418,663.82

The project scope includes the rehabilitation of over 22,500 linear feet of sewers ranging from 8- to 30-inches in diameter through the installation of Cured-In-Place (CIPP) lining and associated excavated repairs to sewers and structures.

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

Mr. Turner: I just want to commend staff on the process that was used. I think it was very thorough and well done.

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

**No. 123 of 2021
(Old Business)**

Approving the Award of a Professional Services Agreement for Construction Management and Inspection Services for the 2022 Small Diameter Sewer Rehabilitation Contract 2 Project to Johnson, Mirmiran & Thompson, Inc.

Funding: Capital Budget \$397,108.00

The project scope includes the rehabilitation of over 20,000 linear feet of sewers ranging from 8- to 24-inches in diameter through the installation of Cured-In-Place (CIPP) lining and associated excavated repairs to sewers and structures.

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

Mr. Turner: Could you explain why we didn't ask for a best and final offer from JMT on this?

Mr. King: We felt that JMT's response initially was complete and thorough, so when the best and final offer came in for Whitman, Requardt and Associates, it was clear and the scoring revealed that JMT had the higher score based on the new and final offer.

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

No. 125 of 2021

Approving the Extension of the Professional Services Agreement with the Law Firm Beveridge and Diamond for the Negotiation of Regulatory Orders with the Environmental Protection Agency, Including PWSA's Long-Term Wastewater and Storm Water Requirements

Funding: Operating Budget, Legal \$650,000.00

This extension with the law firm Beveridge and Diamond is to continue their role as lead negotiator on behalf of PWSA with Region 3 of the Environmental Protection Agency. This outside counsel is helping us navigate the Consent Decree process for our wet weather issues. Chair

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

Mr. Turner: I would like to simply encourage you to have some benchmarks in mind to determine whether or not you think this firm is doing a good job.

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

No. 126 of 2021 Approving Change Orders of Multiple Operating Contracts for Construction of 2021 Surface Restoration to Mele & Mele & Sons, Inc. and Independent Enterprises, Inc. and Amendments of Multiple Professional Services Agreements for Construction Management and Inspection Services to Hatch Associates Consultants, Inc.

Funding: Cumulative Operating Budget \$3,077,483.72

This Indefinite Delivery/Indefinite Quantity contract involves milling, asphalt placement, brick, landscaping, and concrete restoration across the PWSA service area in support of the water and sewer line repair sites completed by PWSA's Operations Department. The basis for this change order is to address the restoration needed on the remaining number of sites that will be generated during the balance of the 2021 construction season through the remainder of this contract.

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

Mr. Turner: This Resolution states it is not budgeted, however it is budgeted in the outyears.

Ms. Strassburger: I was trying to decipher through the statement of the issue, what was the cause of this additional restoration during this time period.

Mr. King: This is an indefinite delivery, indefinite quantity type of contract. This was not due to an oversight. It is close to the original amount that Engineering had, but from a budgeting standpoint, we went in at a lower number for our entry point for our budget to be on the more conservative side.

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

No. 127 of 2021 Approving the Award of a Professional Services Agreement for the Wet Weather Program Manager to Wade Trim Associates, Inc.

Funding: Operating Budget \$16,958,616.00

This professional services agreement is for the necessary services of a Wet Weather Program Manager to assist the PWSA in developing a Long-Term Control Plan for the control of combined sewer overflows and sanitary sewer overflows, which will comprise of a Wet Weather Plan or one or more similar documents.

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

Mr. Turner: In looking at this, there were 60 firms that expressed interest, and 40 attended the required pre-bid conference, but then only 3 submitted bids. Do you have any concerns with that?

Mr. King: We did look at that. When you break down the responses that were received from all of the firms that did not bid on the project, you find out that many of them that were in attendance had partnered with the prime. Several others self-diagnosed and realized they had conflicts and should not submit proposals due to work they currently have on wet weather programs with ALCOSAN.

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

No. 128 of 2021 Approving the Transfer of a Grant Agreement With the Commonwealth Financing Authority from the City of Pittsburgh to the Pittsburgh Water and Sewer Authority for the Woods Run Stream Inflow – Mairdale Project

Funding: \$200,000.00

The grant received is to fund the amenities in the Woods Run Project, such as restoring understory vegetation, upgraded landscape enhancements in the stormwater features, trail improvements, and the addition of waste stations. The City of Pittsburgh and PWSA desire that PWSA serve as project implementer and manager in order to maximize the efficiency and completion time for the project.

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

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

No. 129 of 2021 Approving the Award of 2022 Vehicle Purchases to Berman Truck Group, Whitmoyer Auto Group, and Tri-Star Motors

Funding: Operating Budget Cumulative \$1,142,780.84

The specific vehicles that will be purchased include the following: Berman Truck Group, 2 dump trucks; Whitmoyer Auto Group, 1 electric vehicle; Tri-Star Motors, 7 pickups, 2 utility trucks with compressor and generator, 1 crane truck, 1 utility truck with crane, 1 gate valve van, 1 leak detection van, and 4 small hybrid SUV's. It should be noted that all vehicles are replacing vehicles that are over 10 years old .

Chair Sciulli entertained a motion to approve for discussion. Ms. Strassburger so moved, and Ms. McCormick Barron seconded the motion.

Ms. Leber: Has the current supply chain issues impacted either the price or the availability of the vehicles?

Ms. Romano: Not that I am aware of.

Ms. Cristello: Under the supplier diversity program status, it says that this group through their bid has no intention to participate in the supplier diversity program, but then it says there is little to no opportunity to. Can you just expand on their "no intent" to participate on this?

Ms. Romano: I do not have information on that. I will have someone get back to you next week.

Ms. Cristello: If it's a clear no intent to participate, I personally don't feel comfortable with that, so if you could get clarification for me, that would be great.

Ms. Strassburger: I am happy to see that some of these are low emission vehicles. I am wondering if we have some sort of rubric or standard that we use to determine the cost benefit of purchasing something that might be lower cost versus purchasing a lower emission vehicle. How is this taken into account when we are making these decisions?

Ms. Romano: I will have someone get back to you with that information next week. But I do know from the different conversations that I've had over the years with the fleet manager that we have sort of a rubric to determine cost of repair versus cost to replace.

No further discussion held. The Board approved with six (6) votes to the affirmative and two (2) abstentions. Ms. Cristello and Ms. Strassburger both abstained. The Resolution was adopted by majority vote.

No. 130 of 2021 Approving the Award of an Operating Contract to A&H Equipment to Purchase Two (2) Vector Trucks

Funding: Operating Budget \$842,022.00

This purchase will replace one existing vector truck and add one additional vector truck to the fleet. Once the vector is replaced, there will be 5 vectors in service.

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

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

No. 131 of 2021 Approving an Award to Purchase Sodium Hypochlorite From Univar Solutions USA, Inc.

Funding: Water Treatment Plant Operating Budget \$810,000.00

Sodium Hypochlorite addition is an essential part of water production for disinfection. Nationally there is a shortage of this chemical due to lack of raw goods for manufacturing. Staff previously had a contract in place for this chemical, but the supplier could not meet the requirements of the contract as mutually agreed upon by both PWSA and the vendor.

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

Mr. Turner: It strikes me that asking a vendor to hold a price for 14 months on a hard-to-find item might not be the best approach financially. I hope that purchasing staff or management considers a more flexible arrangement.

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

No. 132 of 2021 Approving Entering Into a Grant Agreement With the Hillman Family Foundations for Developing a Strategic Plan for Stormwater Program

The Hillman Family Foundations has approved a grant to the Pittsburgh Water and Sewer Authority for \$100,000 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.

Mr. Turner: Well done to everyone that was involved in getting the grant. This is the third grant that we have now for this project. I want to make sure moving forward that we have a plan for what funding is charged against what branch.

Mr. Sciulli: Rebecca, congratulations and thank you for taking the lead on getting this grant agreement. I would like to thank Will and the rest of the executive team for making the presentation to the Hillman Family Foundations, which was excellent. And I would also like to thank the Hillman Family Foundations for considering our request. We really appreciate their support.

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

**No. 133 of 2021
(New Business)**

Authorization for the Executive Committee, With the assistance of the Solicitor, to Prepare and Enter Into an Employment Agreement With the CEO

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

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

**No. 134 of 2021
(New Business)**

Approval Requested to Enter Into a Memorandum of Understanding "MOU" with the Pittsburgh Land Bank, to Exonerate PWSA Liens on Certain Properties Within the City of Pittsburgh

The exoneration of liens would be done in order to assist the Pittsburgh Land Bank with returning vacant, abandoned and tax-delinquent properties back into productive use and for the mutually beneficial purpose of returning those properties back to the tax rolls and to PWSA's ratepayer base.

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

Mr. Turner: Can you advise the Board on what process you are going to use to determine which properties are going to be exonerated?

Ms. Quigley: The evaluation of the Pittsburgh Land Bank requests would follow the established criteria of our annual bad debt review. This review includes the amount of outstanding water and wastewater conveyance charges, the length of time that the charges have been outstanding, and then further researching the customer account status on account activity (is the water service still inactive), payment arrangements (is PWSA receiving any payments on an active plan) and finally contact by any interested parties within the last 30 days. And for this purpose, additional criteria to be included in the review will be, is the development of the vacant, abandoned, blighted, tax-delinquent property significantly less likely to occur if PWSA declines to exonerate its liens. And will the redevelopment of the vacant, abandoned, blighted, tax-delinquent property take significantly more time if PWSA declines to exonerate its liens. These are the criteria that we plan to utilize, but please let us know if the Board would like to add any additional review.

Mr. Thomas: My encouragement would be to work really closely with the Land Bank. The blighted properties are all concentrated in all of our black neighborhoods and are a huge blemish on our city as far as the state of how they appear. When I was first looking to move to Pittsburgh, it was shocking. I think we need to be a close partner with them to really change how people experience our neighborhoods and the Land Bank is key to making that happen.

Ms. Quigley: Understood completely.

Ms. Strassburger: I would just echo what Mark said. I think vacant land and vacant houses is one of the biggest challenges we face as a city right now. I'm glad to see the Land Bank finally moving forward and I think that PWSA's role really important to cutting through the red tape in liens to make this a successful program. I am glad we are going to be working hand in hand with the Land Bank. It's a win and I'm glad we are part of it.

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 Ms. McCormick Barron seconded the motion. No discussion held.

The next scheduled Regular Board Meeting will take place on Friday, November 19, 2021.

Jim Turner

James Turner, Secretary