

**Minutes of the
Regular Board Meeting
Of the Pittsburgh Water and Sewer Authority
Held on December 17, 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, December 17, 2021, at approximately 10:00 a.m.

ROLL CALL – All members of the Board were present.

Participants from PWSA: Will Pickering, Debby Gibson, Raquel Ludinich, Elaine Hinrichs, Barry King, Julie Quigley, Jennifer Presutti, Edward Barca, Frank Sidari, BJ McFaddin, Rebecca Zito, Logan Carmichael, Emily Pontarelli, Lee Haller, Shannon Barkley, Toby Stutzman, Giuseppe Sciulli, Rachel Rampa, Rachel Romano.

Also, present was Solicitor Danny Cerrone of Clark Hill.

A total of 50 participants were on the call.

PUBLIC COMMENT – Anna Coleman of Pittsburgh United addressed the Board to discuss outreach for Homewood residents.

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 November 19, 2021. Dr. Murrell so moved, and Ms. McCormick Barron seconded the motion.

No discussion held. The Minutes were unanimously approved.

FINANCIAL REPORT

Ed Barca, Director of Finance, 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 10.9% or approximately \$24 million. Our cash balance and capital expenses have remained steady. This will be the second consecutive year that capital expenses have exceeded \$100 million, reflecting PWSA's commitment to upgrade and modernize its infrastructure.

The PWSA's 2022 Operating Budget is approximate \$274 million and includes increased staffing levels, adequate funding for all regulatory requirements, information technology upgrades, and infrastructure repairs and improvements.

ENGINEERING REPORT

Barry King, Director of Engineering, presented the details of this report. As of December 10th, all of the 2019 and 2020 Small Diameter Water Main Replacement Contracts are substantially complete. PWSA's contractors (*Mele and Mele, Zottola, and Folino*) have completed the installation of 78,893 LF of watermain, replacing a total of 2,120 public-side service lines, of which 629 were public-side lead service line replacements. In addition, they replaced 490 private-side lead service lines. The total Supplier Diversity Participation to date is now over \$6.2 million, a 12.4% diverse participation. To date, we have processed \$49.8 million in certified pay applications, where the total change orders for this project were approx. 1.4%.

The watermain replacement project in support of the Port Authority's Bus Rapid Transit (BRT) Project continues. Our contractor (*Folino*) has replaced over 15,600 LF of waterline, which is 82% of planned replacements. One hundred twenty-four public-side service lines (59%) have been completed, of which 22 were public-side lead service lines replacements. Contractors have also replaced 16 private-side side lead service lines.

Currently, the PADEP is in the process of reviewing seven active Public Water Supply Permit Applications for the Construction of WRP-related infrastructure including:

- Rising Main 4 Improvements Project (*submitted 6/1/2021, day 199*),
- Aspinwall Pump Station to Lanpher Rising Main Project (*submitted 3/29/21, day 263*)
- Aspinwall Pump Station Improvements, Bruecken Pump Station Improvements, and Clearwell Emergency Response Projects (*submitted 9/30/21, day 78*)
- Highland Reservoir Pump Station (*submitted 10/27/21, day 51*),
- Highland Reservoir Supply and Rising Main Project (*submitted 6/18/21, day 182*).

Of these 7 open permit applications with the State, we are currently working on responding to one active Technical Deficiency Letter for the permit application for the Highland Reservoir Supply and Rising Main Project.

We do have 2 other active Public Water Supply Construction Permit Applications concurrently being reviewed by the PADEP, which includes both the Lime Slurry System Improvements Project (*submitted 8/10/21, day 129*), as well as the Corrosion Control Chemical Storage Project to convert the Orthophosphate Storage totes to permanent tank storages (*submitted 12/8/21, day 9*).

Preliminary construction efforts continue in support of the Rising Main 3 Rehabilitation and Replacement Project, with an anticipation that the main could be restored to service by next Friday. This is the last major scope of pre-work to be completed before isolating and beginning

the rehabilitation of Rising Main 3. Finally, the material manufacturing and fabrication of the Highland No. 2 Reservoir Liner and Cover is ongoing.

I remind the Board that we are continuing to track potential supply chain disruptions in material manufacturing and shipping, as well as labor challenges, and general cost inflation associated with the current economy and pandemic, which are resulting in price escalations in the bids that we are receiving, as well as delays in receiving materials to our work sites.

Several Invitations for Bids and Requests for Proposals are currently open and, on the street, including:

- IFBs for the 2021 Small Diameter Water Main Replacement, Contracts B and C, as well as for the 2022 Urgent Lead Service Line Replacement, are due on December 20, 2021, at 2:00 PM of each day (*Re-Bids to accommodate PennVEST funding requirements*)
- IFBs for the 2022 Neighborhood Lead Service Line Replacement, as well as for the 2022 Valve Replacement, are due on December 21, 2021, at 2:00 PM
- IFB for the 2022 Priority Lead Service Line Replacement is due December 22, 2021, at 2:00 PM

Mr. Domach – Question about Highland 1. In the Water Quality report, between 11/7 and 11/9, it looks like there was a significant turbidity event on the log scale in the Highland 1 incoming water.

Mr. King – I believe that is associated with an OPS related repair. I can provide more insight after this meeting.

Mr. Turner – I want to thank you Barry for the incredibly detailed reports you have provided to this board on a wide variety of issues.

REPORT OF THE CHIEF EXECUTIVE OFFICER

Will Pickering, Chief Executive Officer, explained the details of this report. I know a lot of us expected the pandemic to be behind us at this point, but our Board of Directors, as well as our staff across the board, have demonstrated tremendous resilience and flexibility in continuing to do our jobs and advance our projects in constantly evolving circumstances. The rate case, as well as the development of the five-year Capital Improvement Plan that was approved in previous months by this board and this operating budget that is up for consideration, are comprehensive work products that we have been developing across the board here at PWSA. We will reach that \$200 million investment level in the near future on an annual basis given all the work we have to do going forward. We are doing it in a thoughtful way that is looking out for our ratepayers, especially those that are having difficulty keeping up with some of the increases that have been required. In terms of performance metrics and achievement, the operations team has met its goal of exercising 5,000 valves in the calendar year. That maintenance and data collection is extremely valuable so that we are able to update our GIS system that has all of these valves mapped. Having a functioning valving system is important if there are any emergencies when there is an outage. PWSA joined the mayor yesterday in an

event on the North Side to celebrate the progress we have made in replacing water mains as well as lead service lines over the last year. PWSA has replaced over 9 miles of water mains, a little over \$54 million of investment. Over 12 ½ percent of the funding for those projects went to our diverse suppliers, amounting to approximately \$6.1 million. In terms of the lead service lines that have been replaced since 2016, we are over 8,800 public lead service lines and over 5,700 private lead service lines. I want to thank the Peduto Administration for directing that federal investment to these projects. I was honored to attend an event at the White House yesterday on behalf of PWSA that was hosted by the Vice President. Pittsburgh was cited as an example of a community that is utilizing federal funding effectively toward the goal of replacing all the lead service lines from our water system. It is a major achievement not only for our public perception, but that of the EPA and DEP officials as well. It is nice to be acknowledged as a national example of how to replace lead service lines correctly.

Mr. Turner: I just wanted to again express the importance of exercising the valves. It is the difference between 10 people being out of water or 100 people being out of water during the season at wintertime.

RESOLUTIONS

No. 153 of 2021 Approve and Adopt the 2022 Operating Budget

The approximate \$274 million 2022 Operating Budget includes increased staffing levels, adequate funding for all regulatory requirements, information technology upgrades, and infrastructure repairs and improvements.

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

Mr. Turner – Can you indicate two or three items that you worry could have a major impact on the budget?

Mr. Barca – The first item that would really impact the budget is the current level of inflation. As costs start to rise, it will have an impact on this fixed budget. The second issue would be supply chain. We have a certain level of repairs and other items in the budget, but if we cannot get the materials, that could have an impact on what work is done in 2022. And lastly, areas of deferred maintenance and unexpected repairs to facilities would be the final issue of concern.

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

No. 154 of 2021 Approving the Award of Insurance Contracts for Fiscal Year 2022

These contracts are bid out annually by PWSA’s Insurance broker and cover Property, Equipment, Inland Marine, Terrorism, Business Auto, Workers Compensation, Public Officials Liability/Employment Practice Liability and Umbrella.

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

Mr. Turner – How do these costs compare to last year?

Mr. Barca – They are up approximately 5% to 6% from last year for each policy. This is due to the economy the growth of the organization.

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

No. 155 of 2021 Approving Entering Into an Agreement with City of Pittsburgh Regarding Roles and Responsibilities as They Relate to Municipal Separate Storm Sewer Systems (MS4) Compliance

This agreement is required by the EPA and DEP per the National Pollutant Discharge Elimination System “NPDES” Individual Permit for Stormwater Discharges from Small Municipal Separate Storm Sewer Systems. The City of Pittsburgh and PWSA are co-permittees under the NPDES MS4 permit.

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

Mr. Turner – Would you make sure the Board Chair reviews any final agreement before it gets signed.

Mr. Sidari – We will work with Chair Sciulli and CEO Pickering to make sure it is reviewed before it is executed.

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

No. 156 of 2021 Water Treatment Chemicals, Option 1 to Biosafe Systems, Donau Carbon US, LLC; Carus, LLC; PVS Technologies; Polydyne Inc.; SAL Chemical; WK Merriman, Inc. and Univar Solutions

Funding: Operating Budget Cumulative \$4,391,926.40

Water treatment chemicals are the most essential commodity for the production of the high-quality drinking water that PWSA provides to the City of Pittsburgh. The chemicals included in this contract meet requirements for production of drinking water. There are three one-year options left on this contract.

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

Mr. Domach – I lost track of our thinking back and forth between sodium and potassium permanganate. Is the potassium a change or is this a continuation of what we've been using?

Mr. McFaddin – That is a continuation for another year. We would have to do a permit change to do the sodium.

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

No. 157 of 2021 Phosphoric Acid Totes & Bagged Citric Acid Project to SAL Chemical and Shannon Chemical Corporation

Funding: Operating Budget Cumulative \$736,342.50

Phosphoric Acid is used for corrosion control in the system, and Citric Acid is used for rack clearing at the Microfiltration Plant.

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. 158 of 2021 Approving the Award of a Professional Services Agreement for Project Management Services for 2022 Neighborhood LSLR Program to Mott MacDonald

Funding: Capital Budget \$403,083.65

This agreement is necessary for the provision of technical embedded staffing to aid in the management and execution of the 2022 Neighborhood LSLR Program, which involves the replacement of lead service lines.

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

Mr. Turner – Am I correct that this will most likely continue beyond 2022?

Mr. King – Yes, for as long as we are doing the lead line replacement. Unless we can internalize replacement staff for these positions, we are going to continue in this procedure.

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

No. 159 of 2021 Approving Entering Into a CSXT Preliminary Engineering/Construction Agreement for the 2020 Large Diameter Main Replacement Program (Four Mile Run Water Main Relocation)

Funding: Capital Budget \$536,821.00

A 50-inch diameter rivetted steel water main is located within the Four Mile Run project area and needs to be relocated to mitigate conflicts with other PWSA/City improvements currently under design. This water main, located along the eastern edge of CSXT's railroad lines through Schenley Park, was originally constructed in 1907.

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

Mr. Turner – In looking at the material, I see that PWSA is potentially exposed to large damages, and I also know that dealing with a railroad can be very difficult. I just want to make sure our legal counsel is carefully looking at this.

Mr. King – Our corporate counsel has thoroughly reviewed and commented on it. They have approved it to bring before the board.

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

No. 160 of 2021 Approving the Award of a Capital Contract for Construction of the 2020 Small Diameter Sewer Rehabilitation – Contract 2 Project to Insituform Technologies, LLC

Funding: Capital Budget \$3,232,148.00

The scope of work is to perform proactive, trenchless rehabilitation of sewer mains less than 36-inch diameter to restore structural integrity, reduce root intrusion, and reduce infiltration and inflow through the installation of cured-in-place pipe (CIPP) liners.

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

Mr. Turner – Was Insituform the original winner? And how do these costs compare to the original bid?

Mr. King – For this Resolution and the three Resolutions coming up (161,162 and 163), all came in about \$148,000 less than the original bid.

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

No. 161 of 2021 Approving the Award of a Capital Contract for Construction of the 2021 Small Diameter Sewer Rehabilitation Contract 1 Project to Jet Jack, Inc.

Funding: Capital Budget \$2,881,594.00

The purpose of this contract is to perform proactive, trenchless rehabilitation of sewer mains less than 36-inch diameter to restore structural integrity, reduce root intrusion, and reduce infiltration and inflow through the installation of cured-in-pipe (CIPP) liners.

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

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

No. 162 of 2021 Approving the Award of a Capital Contract for Construction of the 2021 Small Diameter Sewer Rehabilitation Contract 2 Project to Insituform Technologies, LLC.

Funding: Capital Budget \$2,632,447.20

The purpose of this contract is to perform proactive, trenchless rehabilitation of sewer mains less than 36-inch diameter to restore structural integrity, reduce root intrusion, and reduce infiltration and inflow through the installation of cured-in-pipe (CIPP) liners.

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

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

No. 163 of 2021 Approving the Award of a Capital Contract for Construction of 2021 Small Diameter Sewer Rehabilitation Contract 3 Project to Insituform Technologies, LLC.

Funding: Capital Budget \$1,844,163.50

The purpose of this contract is to perform proactive, trenchless rehabilitation of sewer mains less than 36-inch diameter to restore structural integrity, reduce root intrusion, and reduce infiltration and inflow through the installation of cured-in-pipe (CIPP) liners.

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

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

No. 164 of 2021 Approving the Award of a Capital Contract for Construction of Option Year 2 of the 2022 Small Diameter Sewer Rehabilitation (IDIQ) Project to Jet Jack Inc.

Funding: Capital Budget \$1,398,787.78

This project provides PWSA with a means to address structural defects in pipe segments prior to complete failure, to rehabilitate, and protect infrastructure. This project will employ trenchless pipe renewal methods, renewing the sewer asset and eliminating disruptive excavation, resulting in a more cost-effective solution.

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

Ms. Leber – Can you explain again what IDIQ means?

Mr. King – Indefinite Delivery Indefinite Quantity. It applies to our urgent contracts where you have an emergency repair and will be tracked closely.

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

No. 165 of 2021 Approving Entering Into an Intergovernmental Cooperation Agreement with the Borough of Baldwin for Maintenance and Related Responsibilities Regarding the Glass Run/Streets Run Sewer Line

In an effort to resolve a dispute with respect to the maintenance of the portion of the Glass Run/Streets Run Sewer Line that traverses through Baldwin and the City of Pittsburgh, an Intergovernmental Cooperation Agreement has been drafted to define the sewer line, scope of work for the sewer line, and financial responsibilities.

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

Mr. Turner – What were the original percentages?

Mr. King – In the existing agreement, PWSA provided 38% of the cost share and Baldwin, 62%. We have reduced our obligation to 10% of the cost share.

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

No. 166 of 2021 Approving an Amendment of a Professional Services Agreement for Electronic Bill Presentment and Payment and Bill Print and Mailing Services to KUBRA.

Funding: Operating Budget \$1,907,597.58

The Amendment will increase the length of the KUBRA contract for an additional two years. The interface between KUBRA and SAP will provide PWSA customers with a more robust and streamlined customer self-service portal.

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

No 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. Mr. Turner so moved, and Ms. McCormick Barron seconded the motion. No discussion held.

The next scheduled Regular Board Meeting will take place on Friday, January 28, 2022.

Jim Turner

James Turner, Secretary