

**Minutes of the
Annual and Regular Board Meeting
Of the Pittsburgh Water and Sewer Authority
Held on March 25, 2022**

This Annual and 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, March 25, 2022, at approximately 10:00 a.m.

ROLL CALL – Eight members of the Board were present. Dr. Audrey Murrell was absent.

Participants from PWSA: Will Pickering, Jennifer Presutti, Debby Gibson, Edward Barca, Barry King, Frank Sidari, Rebecca Zito, Elaine Hinrichs, Hali Hetz, Jason Felser, BJ McFaddin, Kevin Pawlos, Giuseppe Sciulli, Julie Asciolla, Lee Haller, Nick Letzkus, Rachel Rampa, Rachel Romano, Shannon Barkley, Darby Neidig, Emily Pontarelli, Ross Marcinizyn.

Also present was Solicitor Mark Nowak of Clark Hill.

A total of 57 participants were on the call.

Solicitor Nowak called the Annual Board Meeting to Order and Presented Resolution:

No. 38 – Election of Officers of the Pittsburgh Water and Sewer Authority

Solicitor Nowak entertained a motion for the nomination of officers and discussion. Mr. Turner so moved nominating Alex Sciulli as the Board Chair, Erika Strassburger as the Vice Chair, BJ Leber as the Secretary and Treasurer, and Michael Domach as the Assistant Secretary and Treasurer. Ms. McCormick Barron seconded the motion.

Mr. Sciulli – I want to thank Ms. Leber for stepping up into the role that Mr. Turner will be vacating. As many of you know, Jim's last Board meeting will be in April. I want to thank Jim for his many years of service, and for going above and beyond for the PWSA Board.

No further discussion held. The Board unanimously approved Resolution No. 38 electing Alex Sciulli as Chair, Erika Strassburger as Vice Chair, BJ Leber as Secretary/Treasurer and Michael Domach as Assistant Secretary/Assistant Treasurer.

Solicitor Nowak congratulated the newly elected officers of the Board and turned the gavel back to Chair Sciulli to present the next Resolution:

No. 39 – Amending the Bylaws to Change the Annual Meeting Date

Chair Sciulli presented the details of this Resolution. Resolution 39 is to Amend the Bylaws to return the Annual Meeting back to February for next year. The Bylaws were amended previously to move this year's meeting to March, and this proposal would restore it to February in 2023.

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

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

Chair Sciulli requested a motion to Adjourn the Annual Meeting and move to begin the Regular Board Meeting. Ms. Strassburger so moved, and Mr. Turner seconded the motion.

No discussion held. The Board unanimously approved, and the Annual Meeting was adjourned.

PUBLIC COMMENT – No public comment.

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 February 25, 2022. Mr. Turner 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 through February 28, 2022. Year-to-date receipts are up 28.6% or approximately \$6.5 million. A large portion of that increase is due to the timing of payments, as well as the comparison to February 2021, which was heavily impacted by the COVID-19 pandemic. It is expected that receipts growth will continue to normalize as we progress through 2022.

Cash balance remains at a historic high. Capital expenses are expected to accelerate given the PENNVEST closings that have occurred since the beginning of this year, which has provided approximately \$51 million in funding for the 2021 Small Diameter Sewer Rehabilitation program, 2021 Small Diameter Water Main Replacement program, and 2022 Priority Lead Service Line Replacement program.

ENGINEERING REPORT

Barry King, Director of Engineering, presented the details of this report. By the end of the 2021, the combined scopes of three construction projects are anticipated to have addressed 131,800 LF (25 miles) new water main and 3,266 service lines (923 lead lines), for a total construction

cost of \$94,223,000. We acknowledge that these projects have placed an incredible burden on Operations staff's day-to-day duties. Without their assistance, cooperation and guidance, these projects would not have been completed in such a timely and uninterrupted manner.

The PWSA's Water Reliability Plan Projects are progressing. On March 14, 2022, PWSA received the Public Water Supply Permit for construction of the Highland Reservoir Supply and Rising Main Project. Bids are due on April 20th. This work is scheduled to start construction by July 2022 and be completed by the end of 2024.

Currently, the PADEP is in the process of reviewing five remaining active Public Water Supply Permit Applications for the Construction of Water Reliability Plan-related infrastructure:

- *Aspinwall Pump Station to Lanpher Rising Main Project (submitted 3/29/21, day 361)*
- *Aspinwall Pump Station Improvements, Bruecken Pump Station Improvements, and Clearwell Emergency Response Projects (submitted 9/30/21, day 176)*
- *Highland Reservoir Pump Station (submitted 10/27/21, day 149),*

Regarding the WRP projects in the construction phase:

- Construction efforts for the Rising Main 3 Rehabilitation and Replacement Project are ongoing; and
- Mobilization for the Highland No. 2 Reservoir Liner and Cover is in progress.

Finally, I wanted to thank all of CM/CI Consultants who have agreed to join PWSA's Construction Team in the Board Room, on a Saturday, to conduct a full day of necessary training of our consultant's staff. The training will consist of 8 modules, including Safety, Compliance and Ethics, lead service line replacements and the GIS application to record LSLR data.

REPORT OF THE CHIEF EXECUTIVE OFFICER

Will Pickering, Chief Executive Officer, explained the details of this report. The key component of the CM/CI training will include our Compliance and Ethics Programs. PWSA has a renewed focus on environmental compliance and ethics. We are embodying that in our core values, which we released to the organization early this year, and our contractors and our inspectors are an extension of PWSA. I have been sharing our renewed mission vision and core values with the staff. One of those core values is ethics and integrity. The Leadership Team and I have visited almost every facility, and our goal to have Frank Sidari, our Chief Environmental Compliance and Ethics Officer, at each of those engagements to talk about those programs with our field staff. The Winter Shutoff Moratorium is ending at the end of this month. However, PWSA has programs in place that we have never had before in terms of assistance. If there is anyone currently in the moratorium status that needs additional resources, we implore them to call us. Shifting to our Lead Service Line Replacement and the Lead Help Team. The staff worked together and secured over 800 customer agreements that were needed in order to move forward on the lead service line replacements with two fewer staff. There was a large water main break two weeks ago on Butler Street near the Highland Park Bridge. The original break was on a 42-inch water main that we believe was installed in 1906, and the break was on

a patch that our estimate was made on the line in the 1980's. We actually identified a few other breaks and are making sure to take care of those while we have the road open. In the Performance Report, we have exceeded our goal with respect to the average length of disruption in service. It is under 6 hours.

RESOLUTIONS

No. 40 of 2022 Appointing Ethics Officer for the Pittsburgh Water and Sewer Authority

Requesting Board Approval of Frank Sidari to replace Danny Cerrone and act as Ethics Officer for the Authority.

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

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

No. 41 of 2022 Approving the Award of a Professional Services Agreement for Municipal Advisory Services to Public Resources Advisory Group, Inc.

Funding: Operating Budget Not-To-Exceed \$335,656.00

It is recommended that the PWSA Board of Directors authorize management to enter into this agreement with PRAG to provide municipal advisory services for 3 years, with an option to extend for a period of 2 years. The services include, but are not limited to, assisting in the issuance of debt, creating a long-term financial plan, developing a rating agency strategy, providing PUC rate testimonies, and analyzing PWSA's debt portfolio to reduce financial risks.

Mr. Turner: Do you have any concern about there being a conflict in terms of them recommending unnecessary bond issues?

Mr. Barca: I do not. Public Resource Advisory Group is our current advisor and our prior experience with them is that they have never solicited to the Authority to go to market to issue bonds. It has always been at our discretion.

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

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

No. 42 of 2022	Authorizing an Issuance of Debt in a Principal Amount Not-to-Exceed \$225,000,000.00 Through the Water Infrastructure Finance and Innovation Act (“WIFIA”) Program Administered by the Environmental Protection Agency (“EPA”) for the Purpose of Funding a Portion of the Costs Associated With the Water Reliability Projects
-----------------------	--

PWSA is in the process of completing seven projects associated with the replacement of the Clearwell at the Water Treatment Plant (Aspinwall Pump Station Improvements, Aspinwall Pump Station to Lanpher Rising Main, Bruecken Pump Station Improvements, Clearwell Emergency Response, Clearwell Improvements, Highland No. 2 Reservoir Improvements, and Large Diameter Water Main Replacement No. 3 and No. 4). A portion of the funding for this replacement will be covered by PENNVEST (51%). The other portion will be covered by the WIFIA Funding Program (49%).

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

Mr. Turner: Can you give the Board a little more detail on how this will work?

Mr. Barca: This specific loan we are receiving from the EPA is through the program called the Water Infrastructure Financing Innovation Act. It is direct financial assistance from the Federal Government to the Authority. This is not a public bond. The Authority has 5 years to draw the amount up to \$225 million. After that 5-year period, then the Authority begins to repay the amount that has been drawn, and the Authority only repays what has been drawn. That structure gives us the flexibility to get the work completed, but also certainty on the debt service schedules moving forward.

Mr. Turner: Am I correct that the interest rate we expect to pay is less than what we would pay if we were going to market?

Mr. Barca: Yes. Even with interest rates rising or expected to rise in the coming months, we are expecting an interest rate at 2 or 2 ½ % on this loan, which is at least a percentage point or more below the public market.

Ms. McCormick Barron: Is this a fund that is replenished through the repayment so there would be funds potentially available in the future through this fund?

Mr. Barca: It is not. This fund is only specific to those projects. We can use all of the monies allocated, but only for those projects. It is not a rolling line of credit.

Mr. Sciulli: While \$225 million is a significant amount of money, our Capital Improvement Program obviously is larger than that. How did we get to the \$225 million? Was that a function of the projects or was it more based on what we can absorb financially?

Mr. Barca: We look at what we can handle financially. One of the reasons we are going down this path with the WIFIA program is the cost savings we realize versus the public market. The other aspect we looked at in total what it costs for the Water Reliability Projects. There's a number of them in there, but the total cost is over \$337 million. The WIFIA program only funds a portion of the total cost. We looked at what this would cost us in total and then backtracked to figure out what WIFIA could fund based on their requirements. That's how we came up with the \$225 million.

Mr. Sciulli: This took a lot of work over a 2 or 3 year period. Thank you to you and your staff.

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

No. 43 of 2022	Approving the Award of an Operating Contract to The Wilson Group to Piggyback the Sourcewell Contract #083116 to Lease Sharp Multi-Function Printers
-----------------------	---

Funding: Operating Budget Not-To-Exceed \$290,610.00

This request is to lease 13 Sharp Multi-Function printers. This is a continuation of service from a previous contract with The Wilson Group.

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

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

No. 44 of 2022	Approving the Award of Option Year 3 of an Operating Contract for Pickup and Removal of Clean Fill to Vigliotti Landscape and Supply
-----------------------	---

Funding: Operating Budget \$255,631.00

The material that is removed from the PWSA Facilities under this contract is from the repairs performed by our Operations Field Crews on water and

sewer repairs only. The contract loads their own vehicles and disposes of the material at an approved landfill site.

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

Mr. Turner: I was pleased that 100% of this is going to MBE/WBE firms.

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

No. 45 of 2022 Approving the Award of Contract Option Year 1 for COSTARS Contract No. 4600015618 for Aggregate and Antiskid Materials

Funding: Operating Budget Not-To-Exceed \$377,369.00

This material is used to backfill water and sewer repairs performed by PWSA Operations crews. The vendor for this contract is Americol.

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

Mr. Turner: This is a piggyback contract on a state effort. I'm wondering if we can find out the DBE requirements and what the supplier agreed to meet.

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

No. 46 of 2022 Approving the Award of a Capital Contract for Construction of 2022 Sewer Reconstruction Contract to M. O'Herron Company

Funding: Capital Budget \$1,977,790.00

The project scope of work includes the reconstruction of a portion of the sewer and water mains located in Fuschia Way.

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

Mr. Turner: I believe there was a public meeting on this project recently. How did that go?

Mr. King: We had a large turnout and a good discussion with the Homewood Community on Fuschia Way. It was effective for both sides to have that open forum.

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

No. 47 of 2022 Approving the Award of an Operating Contract for Construction of 2022 City Park CCTV and Investigations Contract to Jet Jack, Inc.

Funding: Operating Budget \$895,470.00

The scope of work includes the National Association of Sewer Service Companies (NASSCO) Pipeline, Lateral, and Manhole Assessment Certification Program (PACP, LACP and MACP) compliant inspections and assessments, including pipeline and lateral inspections and assessments using CCTV and MACP Level 1-compliant manhole inspections and assessments, and field investigation and mapping of unknown structures in the City of Pittsburgh Parks over 50 acres and other areas in PWSA storm sewer system, including public storm pipes, storm inlets, catch basins, laterals, headwalls, outfalls, and weirs as required or directed.

Mr. Turner: It is my understanding that this would only be used in the city Parks that are larger than 50 acres, which are legally our responsibility, as well as other parts of the system that are our responsibility. Is that correct?

Mr. Sidari: Yes, that is correct. The focus is on the stormwater infrastructure there that we're required to map in accordance with our MS4 permit.

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

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

No. 48 of 2022 Approving an Amendment of a Professional Services Agreement for Design and Engineering Services for South Side Flats Sewer Separation Project to Johnson, Mirmiran & Thompson, Inc.

Funding: Capital Budget \$127,350.63

This amendment addresses owner-directed changes, adding required Engineering Design Services, including the design and permitting, inspection, surveying, and modeling for the extended drainage network to increase the cost efficiency of the separation project. This includes flow monitoring

required for the GROW Application that was not included in the original scope.

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

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

No. 49 of 2022	Approving Change Orders of Multiple Operating Contracts for Construction of 2021 Urgent Sewer Repair to M. O'Herron Company and Independent Enterprises, Inc., and Amendments of Professional Services Agreements for Construction Management/Construction Inspection Services to Hatch Associates Consultants, Inc.
-----------------------	---

Funding: Cumulative Operating Budget \$2,383,500.00

These change orders and amendments are required due to several current significant and costly infrastructure failures, including repairs near Washington Boulevard under the Allegheny Valley Railroad, Shady Avenue, Eazor Square, Red Oak, Hayson and Silver Oak Street backup protection, and Grandview Avenue.

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

Mr. Turner: While I hate to see the percentage increases to 25% one at 80%, understanding that this is an ID/IQ contract, that means it will simply get more work done.

Mr. Sciulli: Over a course of time, we try to budget in our operating budget for what we think is going to happen and generally we are on the short side of this. I would like to know how good we are at predicting this over a period of time, say maybe the last 2 years.

Mr. King: I can provide that to the Board.

Ms. Cristello: What is ID/IQ?

Mr. King: It's a contract that is set up without a defined scope at the onset. You have standard items that are bid to allow work to be performed over the course of the contract but that the reference to indefinite delivery. They are not guaranteed to get any amount of work out of the contract. The indefinite quantity is that a specific number is not guaranteed to them in that contract, but they can't go any higher than what was bid.

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

No. 50 of 2022 Approving the Award of a Capital Contract for Construction of Lawn and Ophelia Green Infrastructure Project to FJ Zottola Construction

Funding: Capital Budget \$845,150.00

This project will help to manage 1.5 inches of rain from 1.86 acres of impervious surface. Components include drainage improvements in the right-of-way of both Lawn Street and Ophelia Street, a rain garden within the parklet, subsurface stormwater detention beneath the rain garden, landscaping, and a surface path within the parklet. This project is located in the M-19 Combined Sewer Overflow Sewershed, Monongahela River Watershed, and the Oakland Neighborhood of the City of Pittsburgh.

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

Ms. Leber: Is this going to change the ability of families to use the playground or is it infrastructure.

Mr. King: This is all infrastructure that's beneath the surfaces, so once we've restored it and the path is put back in place, the facilities should still be useable in this location.

Ms. McCormick Barron: Is this in the area of the proposed significant redevelopment?

Mr. King: It is my understanding that it is not directly in that zone.

Mr. Sciulli: The portion where Bates meets the Boulevard of the Allies is where the development is located. This parklet is closer to where the old Pittsburgh Playhouse used to be.

Mr. Turner: Could staff get back to us on what the impact might be with respect to sewer backups in the area.

Mr. King: I was remiss in this Resolution of noting that for a GI Infrastructure basis we are managing approximately a 1 ½ inch of rain from approximately 1.86 acres of impervious surface. So that will be the functionality of that infrastructure.

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

No. 51 of 2022

Approving the Award of a Professional Services Agreement for Corrosion Control Monitoring to CDM Smith Inc.

Funding: Operating Budget \$706,025.36

This monitoring allows PWSA to ensure that the use of orthophosphate is optimized in our distribution system. This agreement is for a base 12-month engagement, with the ability to extend this Agreement annually upon the successful completion of the first year.

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

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

No. 52 of 2022

Authorizing the Chief Executive Officer to Enter Into an Agreement With the Morewood Heights Association

The Morewood Heights Association would like to upgrade their private water and wastewater systems to PWSA standards and convey the system to PWSA.

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

Mr. Turner: Can you please make sure the Board Chair reviews the final agreement before it is signed?

Ms. Presutti: I certainly will.

Mr. Sciulli: This has been an issue that's been going on for a while. I want to commend the Authority, you personally and staff for taking a very proactive role in helping resolve an issue that has affected the residents for quite some time. I think it's a fair settlement. I'm happy to see that the work will be done to PWSA standards and then eventually be taken over as part of our system. I hope the ratepayers and the residents appreciate the time and effort that you and your staff have taken to try to get a resolution that is satisfactory to everyone.

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

The next scheduled Regular Board Meeting will take place on Friday, April 22, 2022.

BJ Leber

BJ Leber, Secretary