

**Minutes of the
Regular Board Meeting
Of the Pittsburgh Water and Sewer Authority
Held on March 24, 2023**

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, March 24, 2023, at approximately 10:00 a.m.

ROLL CALL – 6 Members of the Board were present. Dr. Murrell and Ms. Cristello were absent.

Participants from PWSA: Will Pickering, Jennifer Presutti, Ed Barca, Barry King, Debby Gibson, Rebecca Zito, Rachel Rampa, Paul Spara, Felecia Daniels, Amanda Castro, Julie Ascioffa, Logan Carmichael, BJ McFaddin, Kevin Pawlos, Juan Hirmas, Jennifer Guo, Barry Budd, Lee Haller, Monica Walaan, Rob Herring.

Also present was Solicitor Mark Nowak of Clark Hill.

A total of 33 participants were in attendance.

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 Annual and Regular Board Meeting held on February 24 ,2023. Ms. Strassburger so moved, and Ms. Leber seconded the motion.

No discussion held. The Minutes were unanimously approved.

FINANCIAL REPORT

Ed Barca, Director of Finance, presented the details of the report. Year-to-date receipts are \$32.0 million or 15.4% of the total budget. PWSA has experienced stronger than expected receipts for water, wastewater conveyance, and DSIC charges through the first two months of 2023 by collecting \$28.0 million compared to \$24.0 million that was budgeted. Total forecasted year-end receipts, inclusive of the Rate Stabilization Fund, are \$210.5 million. This represents an increase of \$3.9 million or 1.88% as compared to the budget.

Year-to-date departmental operating expenditures were \$15.6 million, which is \$5.3 million lower than budgeted. It is expected that departmental expenditures will expedite in the

coming months once construction season starts and large initiatives are kicked-off. PWSA continues to monitor the impact inflation is having on chemical treatment and utility costs in order to mitigate a budget overage.

PWSA's cash balance remains at an all-time high, with a balance of \$67.0 million as of February 28, 2023, which is \$12 million higher as compared to the prior year.

ENGINEERING REPORT

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

Drinking Water Programs. Service lines continue to be replaced through our Small Diameter Water Main Replacement program, as well as our Lead Service Line Replacement projects. The total number of lead service lines completed through March 23rd across all of our contracts and operations is 10,064 public and 7005 private side replacements. The current small diameter water main contracts continue with the replacement of more than 33,460 linear feet or 6.3 miles of water main throughout the City of Pittsburgh.

Water Reliability Plan. Construction continues on our rising main number 4 rehabilitation projects in Highland Park, as well as the Highland Reservoir supply and Rising Main project design. Permitting efforts are continuing on the balance of our Water Reliability Plan projects. Design reviews continue between PWSA staff and our design consultants on the Aspinwall Pump Station, the Bruecken Pump Station improvements, as well as the Clearwell Emergency Bypass project. PADEP construction permit applications, NPDS permitting, as well as State Historic Preservation Office reviews are still in progress for all of our ABC projects as well as the Lanpher Reservoir Project and the Lanpher Reservoir Improvement project. PWSA is preparing for the second consultant party workshop in association with the EPA and SHIPPO reviews of our Aspinwall Pump Station improvements project, with a workshop that is targeted for the end of next month. The Highland Reservoir Pump Station will be going out to bid in April. As for the Water Reliability Plan projects at the Aspinwall Water Treatment Plant, the kickoff meeting was conducted with Duquesne Light on March 6th for the construction of the new 4.6KV power substation at the Aspinwall Water Treatment Plant.

Stormwater and Green Infrastructure Program. PWSA will be hosting six community workshop meetings that will be held in six areas of the City. The objective of these workshops is to gather feedback about the stormwater strategic plan initiatives that are underway and hear firsthand how stormwater is impacting our customers. As a reminder, the public comment period for the Stormwater Strategic Plan is open through June 30th. PWSA, ALCOSAN and JMT have earned the National Recognition Award from the National American Council of Engineering Companies, ACEC for the M29 Outfall project which will be received during an award ceremony in Washington DC June 13th.

Mr. Martin – I would like to offer my congratulations on the ACEC award.

Mr. Sciulli - With the ESWP Award for M29 and now this national award, I think we will be up for a few more awards before this whole Water Reliability Plan runs its course.

Ms. Strassburger – I am very happy that you're getting out into the community to hear from the public in response to this proposed Stormwater Plan. I hope anyone listening will consider attending in their neighborhood.

REPORT OF THE CHIEF ENVIRONMENTAL COMPLIANCE AND ETHICS OFFICER/ REPORT OF THE CHIEF EXECUTIVE OFFICER

Will Pickering, Chief Executive Officer, presented the details of this report on behalf of Frank Sidari. One of the areas of focus that Frank has shared previously are the federal guidelines related to communications and those guidelines that the federal government sees as key to an effective compliance program. PWSA has created several ongoing education and training approaches to address communication with respect to compliance. One is organization wide training using our learning management system. An example of this is the 2023 Annual Stormwater Management and Water Conservation Training, which was assigned this month to all authority staff. This training is part of our obligation under our MS-4 permit, and it provides education to staff on our stormwater program in ways to reduce stormwater pollution and to promote water conservation that is all delivered online in our learning management system. This month, Frank has been conducting compliance and environmental training sessions with contractors who are starting new projects. Somehow he has found the time in the last four weeks to have conducted 12 of these sessions reaching over 100 contractors providing education on PWSA's code of conduct, our code of ethics, our non-retaliation policy, our whistleblower policy and discussing requirements around waste management and other environmental compliance issues. Frank and his team conduct safety tailgate meetings for our field staff. Each Monday environmental compliance and safety staff provide a compliance tailgate training at the water treatment plant and they rotate to the other field operation sites at Brilliant, Mission, and Howard. Recently, environmental compliance training topics have included housekeeping, universal waste, aerosol can disposal and management, hazardous waste spill kits, chemical unloading, and spill prevention plans. Through these education and training approaches, PWSA continues to assure our employees, and importantly our contractors, are aware of the required policies and have the knowledge of our environmental compliance areas of responsibility. The second element of this communication are the updates that Frank typically provides to this group every month. I think these are efforts that I try to build upon in our communications with our entire workforce and consultant and contractor community here at PWSA.

Report of the Chief Executive Officer

Will Pickering, Chief Executive Officer, presented the details of this report. A month ago, right after the last Board meeting, we had an event to celebrate the 10 thousandth lead service line replacement. This was a positive event with attendance of elected leaders from all levels of government, executive staff from the US EPA, as well as representatives from PUC and EPA. They were able to see lead service line replacements firsthand. The manner in which we address public health is something that needs to be modeled at a national level. PWSA and our program is being recognized by the US EPA for excellence in public health. Our nomination for the Aquarius Award was put forward from our partners at PENNVEST. People are starting to

take note of the progress. We will be making a summary of our strategic planning initiatives. This is an outgrowth of the Mission, Vision and Values exercise that we conducted last year where we engaged our workforce and came to a Mission, Vision and Value statement. We are trying to measure our progress against those attributes. We have three priority areas: (1) our organizational capacity, which we are assessing our specific projects; (2) rebuilding trust with our customers, which has been a priority of this organization; and (3) infrastructure investment. We talk about all of the investment we are making in our system, and we have a lot more work to come. Finally, there has been a lot of talk about PFOS contaminants. PFOS is a term kind of used loosely, but actually it is several compounds that make up these emerging contaminants. They are pretty ubiquitous and difficult to deal with, and they're not anything that is attributable to the water treatment process. These are chemicals that were produced by various industries. I want to assure the public who are interested in this topic that PWSA has been conducting voluntary testing since 2018. We have every reason to believe that we will comply with the state standard when that is effective next year. The EPA regulations are more stringent than the current state standards, and again we expect to be able to meet those should they go into effect. It is very concerning given the health concerns that these PFOS contaminants and compounds can have on us, and we will continue to do that voluntary testing and keep the Board and the public informed if anything changes. We are very lucky to have the Allegheny River as our source water, and we're not detecting these compounds at levels of concern.

Ms. Leber – I was at a conference one day last week and met somebody new. She explained what a great experience she had with PWSA. She and her family live in Morningside and had their lead line replaced. She elaborated and said from the communication to the construction to the clean-up, she had a very positive experience. It is a nice reminder that it's such a large project in scope, and we're looking at national recognition and awards, but it comes down to our customers really feeling good about what we do for them.

Mr. Domach – Is the Mon River in good shape regarding PFOS?

Mr. Pickering – I cannot answer that. DEP did survey the whole state a few years back, and that data may be available. We can go back and pull that information for you.

RESOLUTIONS

No. 12 of 2023 Authorizing the Securing of Funding by the PWSA from the Pennsylvania Infrastructure Investment Authority (“PENNVEST”) in the Aggregate Maximum Principal Amount of \$13,354,750.

This request is to approve the Resolution to Borrow related to the PENNVEST funding award for the 2023 Neighborhood Lead Service Line Replacement Program.

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

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

No. 13 of 2023 Approving the Reimbursement Resolution for the 2023 Neighborhood Lead Service Line Replacement Program as Part of the PENNVEST Closing Process.

The Resolution states that PWSA has a plan to pay for the costs of the project and satisfy the Federal Code. This Resolution is a declaration of official intent adopted pursuant to the requirements of Treasury Regulation Section 1.150.2.

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

Mr. Sciulli – Please explain what is involved in the closing process.

Mr. Barca – Anytime we close on a PENNVEST loan, we need to bring together the contract documents. They'd like to see our prior bond indenture documents, even if it is non PENNVEST debt. They would like an updated timeline on the construction just to make sure the award aligns with that. There are also some legal opinions involved just to make sure that the house is cleaned up for PENNVEST.

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

No. 14 of 2023 Authorizing Certain Officers and Officials to Take Action with Respect to Issuing New Bonds for the Purpose of Paying Down all or a Portion of the Capital Line of Credit, Refunding the Pittsburgh Water and Sewer Authority's Series 2013 Bonds, and Amending Existing or Entering Into New Indentures and Other Financing Agreements.

This Resolution requests the PWSA Board of Directors approve to authorize PWSA management to complete debt transactions for the purpose of paying off all or a portion of the outstanding amount on the capital line of credit, and refunding all or a portion of the outstanding Series 2013 bonds.

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

Ms. Leber – Regarding Resolutions 14 and 15. They’re very complex financial transactions with very high numbers. Ed has been extremely helpful in terms of providing information and being completely transparent. PWSA is really using the resources available to do the best job we can to reinvest for our customers.

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

No. 15 of 2023 **Authorizing Certain Officers and Officials to Take Action with Respect to the Pittsburgh Water and Sewer Authority’s Series 2017C Bonds, Which can Include Issuing New Bonds, Refunding, or Remarketing Outstanding Bonds, and Amending Existing or Entering Into New Indentures and Other Financing Agreements.**

This Resolution requests the PWSA Board of Directors approve authorization of PWSA management to complete debt transactions for the purpose of refunding or remarketing the existing 2017C bonds, along with amending current or entering into new indentures or financing agreements.

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

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

No. 16 of 2023 **2023 Developer’s Manual Updates**

The Developer’s Manual is updated yearly to ensure it is consistent with current policies and procedures. This year the manual was updated for Administrative updates only.

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

Mr. Domach – What is the dispute over jetting and CCTV in the Developer’s Manual?

Ms. Zito – The developers need to clear out the lines prior to doing the inspections. We will get back to you with more information.

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

No. 17 of 2023 Approving the Award of a Professional Services Agreement for Design Services for 2023 Small Diameter Water Main Replacement – Contract A to GAI Consultants, Inc. Capital Budget \$1,423,229.

This project involves the relay of water mains, including valves, fire hydrants, and service lines as required. This award is specifically for the design services for the full scope of work for the replacement of water mains in various locations in the Elliott/Crafton Heights, West End, and Brighton Heights neighborhoods of the City of Pittsburgh.

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

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

No. 18 of 2023 Approving the Award of a Professional Services Agreement for Design Services for 2023 Small Diameter Water Main Replacement – Contract B to Johnson, Mirmiran & Thompson, Inc. Capital Budget \$1,221,093.76.

This project involves the relay of water mains, including valves, fire hydrants, and service lines as required. This award is specifically for the design services for the full scope of work for the replacement of water mains in various locations in the Squirrel Hill and Point Breeze North neighborhoods of the City of Pittsburgh.

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

Mr. Sciulli – Is there any magic to how you determine geographies for contract A or contract B?

Mr. King – There’s a continuous process that we are undertaking for trying to prioritize the area and it’s based on a host of metrics, including failure rate, the existing lead numbers, and blood lead results. There is a metric that has been prescribed for selecting the areas, and we continuously move down the list to the next highest-ranking area.

Mr. Martin – So this work is under design?

Mr. King – It will be under design this year, and this work would be commencing as a construction effort next year.

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

No. 19 of 2023 Approving Entering Into a Utility Relocation Reimbursement Agreement with PennDOT for Commercial Street Bridge & Sewer Relocation Project.

This Resolution is for the approval of the completion of the design review and construction inspection internally by the PWSA Engineering and Construction staff and authorizing the Chief Executive Officer to sign the Utility Relocation Reimbursement Agreement on behalf of the PWSA. This PennDOT project will impact the Authority's sewers and sewer manholes in Frick Park below the SR376 Commercial Street Bridge.

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

Mr. Sciulli – I thought we had utilities on the bridge?

Mr. King – All of our active utilities are under the bridge.

Mr. Sciulli – It is going to be an interesting bridge project to demolish the existing bridge and slide the new bridge over.

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

No. 20 of 2023 Approving Entering Into a Cost Share Agreement with DOMI for a Federally Funded Critical Sidewalk Gap Project. Capital Budget \$5,895.31.

The scope of work for DOMI's project necessitates the adjustment of PWSA's valve boxes, service line curb boxes, and one manhole frame and cover on Fountain Street and Broad Street. This Resolution will authorize the Chief Executive Officer to sign this Cost Share Agreement on behalf of the PWSA with DOMI.

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

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

No. 21 of 2023 Approving the Award of a Capital Contract for the Construction of the Bruecken Pumps No. 4, 5 & 7 Starter Replacements Project to Lanco Electric, Inc. Capital Budget \$892,400.

The scope of work under this project includes the purchase and installation of the starter equipment for pumps nos. 4, 5 and 7, consisting of new synchronous motor starters, fused load interrupter switches, and associated electrical equipment that will replace the existing equipment to restore the full safe functionality of these critical water pumps.

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

Mr. Sciulli – Were these pumps involved in the shut-down we had a short time ago?

Mr. King – No. That was due to the Duquesne Light power outage. These pumps were not part of the startup. We are looking to ensure that we do have resilience throughout the completion of the water reliability plan and that is why we propose to get all of these replaced at this time.

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. Ms. Strassburger so moved, and Ms. Leber seconded the motion.

The next scheduled Regular Board Meeting will take place on Friday, April 28, 2023.

BJ Leber

BJ Leber, Secretary