

**Minutes of the  
Regular Board Meeting  
Of the Pittsburgh Water and Sewer Authority  
Held on September 22, 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, September 22, 2023, at approximately 10:00 a.m.

**ROLL CALL** – Seven (7) Board Members were present. BJ Leber was absent.

**Participants from PWSA:** Will Pickering, Debby Gibson, Edward Barca, Barry King, Frank Sidari, Rebecca Zito, Paul Spara, Adam Longwill, Logan Carmichael, Lee Haller, Kevin Pawlos, Felecia Daniels, Thoryn Simpson, Giuseppe Sciulli, Jennifer Guo, Janice Abate, Jeff Turko, Jordan Treaster, Sarah Bolenbaugh, Bill Bennett, Rachel Rampa, Jason Felser.

Also present was Solicitor Mark Nowak of Clark Hill, Charles Jordan of ms Consultants, Mark Sassaman of JMT, David Troianos of GAI, Tom Prusak of Hatch, Emily Maeder of T-Mobile.

A total of 26 participants were in attendance.

**PUBLIC COMMENT** – Ms. Norrine Taylor of the Northside neighborhood in the City of Pittsburgh regarding high water bill.

**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 August 25, 2023. Ms. Strassburger so moved, and Dr. Murrell 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 August 31, 2023. Year-to-date the receipts through August 31, 2023 are \$134.8 million or 65.2% of the total budget. August was a strong month with \$21.0 million in receipts recorded for all PWSA's charges. This represents the most revenue recorded within a single month. In August, water receipts made up \$12.8 million of the \$21.0 million and are now projected to end the year within budget.

Total forecasted year-end receipts, excluding the budgeted \$4.5 million transfer from the Rate Stabilization Fund, are \$208.2 million. This represents an increase of \$1.5 million or 0.7% as compared to the budget. The transfer from the Rate Stabilization Fund is no longer planned due to stronger than expected receipts. Year-to-date departmental operating expenditures are \$74.7 million, which is 63.1% of the total budget.

\$68.6 million in debt service costs have been paid year-to-date, which is 89.7% of the total budget. Forecasted year-end debt service is projected to be \$72.6 million or about \$3.9 million lower than budget. The bulk of the savings is attributable to the bond transactions completed earlier this year. PWSA's cash balance on August 31, 2023 was \$75.4 million, which is \$10.1 million higher as compared to the prior year. In addition, year-to-date capital expenditures are \$63.9 million.

I was proud to represent PWSA at the Financing Solutions for Water Infrastructure workshop last week in Philadelphia. The workshop was sponsored by the AWWA and was held after the broader AWWA Water Infrastructure Conference. My workshop included representatives from the US EPA, as well as consulting firms and other municipal water utilities. I gave a presentation on the advantages of combining Water Infrastructure Finance and Innovation Act (WIFIA) funding with state-revolving funds to address critical infrastructure needs. I gave as an example the PWSA's financing plan for the Water Reliability Plan. This was an opportunity to showcase PWSA's leadership within the industry. PWSA is the only entity within Pennsylvania that has been successful in combining these sources of funding, resulting in cost savings for our customers.

### **Engineering Report**

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

### **Drinking Water Programs:**

Our Lead Service Line Replacement or LSLR programs continue to progress well. A total of 10,433 Public and 7,300 Private-side Lead Service Lines continue to be replaced through September 20, 2023 across all Contracts and Operations.

The American Recovery Plan grant-funded 2022 Neighborhood Lead Service Line Replacement program is finishing work in Hazelwood and will be moving to Troy Hill. We are not finding as much lead as we anticipated. We have expanded the reach of this program from the originally anticipated 1,400 locations to almost 2,400 locations in total. We anticipate that all Lead Service Line Replacement work under this contract will be complete in 2023, with potentially some surface restoration to wrap up next spring depending on weather conditions later this year.

The PENNVEST-funded 2023A neighborhood Lead Service Line Replacement program started in late July. The first neighborhood of Esplen is complete, Crews are presently working in Lincoln-Lemington-Belmar.

We are preparing for the closing of another PENNVEST Lead Service Line Replacement project in January 2024. Finally, we are in the planning stages for another PENNVEST funding application for 2024.

Construction efforts for the Water Reliability Plan Projects:

- **The Highland Reservoir Pump Station Supply and Rising Mains:** Construction is approximately 90% complete. The partial replacement of the supply main, and the construction of the new rising main, are both around 95% complete as both mains have been installed, pressure tested, and awaiting final tie-in and disinfection. Completion of the remaining scopes of work, excluding final restoration, is anticipated by October 31<sup>st</sup>.
- **The Rising Main 4:** Construction is approximately 80% complete, with all Carbon Fiber Reinforced Polymer lining completed. The only scopes remaining to be completed is the construction of the new cross-over connection between Rising Mains 3 and 4, installation of various concrete structures, and one final tie-in connection near the Bruecken Pump Station. All construction work is tentatively scheduled to be completed the week of November 6<sup>th</sup>, with disinfection currently planned for the week of November 13<sup>th</sup>. Rising Main 4 will return to service following receipt of the operating permit. This schedule will ensure that the Certification of Construction Completion is submitted well before the COA deadline of January 14, 2024.

Bids were received yesterday for five contracts associated with the Highland Reservoir Pump Station Construction Project. We will bring the award recommendations before the Board during the Regular October Meeting.

The design and permitting efforts continue on our remaining Water Reliability projects, including the Aspinwall Pump Station and Bruecken Pump Station Improvements and the Clearwell Emergency Response, Clearwell Bypass Project.

Other Procurement Activity to note for the Service Line Inventory Program:

Machine Learning Predictive Model PSA will close on September 26<sup>th</sup> at 4 P.M.

2023 Water Relay Construction Contract will close on October 3<sup>rd</sup> at 2 P.M.

Bids for the General/Mechanical, HVAC, and Electrical, and Plumbing Contracts for the Lanpher Reservoir Booster Disinfection Improvements Project will close on October 9<sup>th</sup> at 2 P.M.

The 2024 Catch Basin and Inlet Replacement CM/CI PSA will close on October 16<sup>th</sup> at 4 P.M,

2023 Neighborhood Lead Service Line– Construction Contract 2 will close on October 17<sup>th</sup> at 2 P.M.

#### **REPORT OF THE CHIEF ENVIRONMENTAL COMPLIANCE AND ETHICS OFFICER**

Frank Sidari, Chief Environmental Compliance and Ethics Officer, presented the details of this report. September is a notable month regarding PWSA's Environmental Compliance and Ethics

Program. On September 14, 2021, PWSA plead guilty in U.S. District Court for violations related to the Clean Water Act and entered into our Administrative Agreement with EPA's Suspension and Debarment Office. These actions by the government demonstrate the far-reaching impacts to an organization when staff exhibit non-compliant and unprofessional behaviors.

PWSA's current leadership, with the Board's support, has taken many steps to prevent future non-compliance and affirm PWSA's commitment to operating in accordance not only with the strict requirements of the law, but also in a manner that is consistent with high ethical and professional standards in the delivery of drinking water, wastewater, and stormwater services to our customers. We fulfilled that obligation this month as required under our Administrative Agreement.

An update on our Municipal Separate Storm Sewer System, MS4, Permit. PWSA is a co-permittee with the City of Pittsburgh on this permit which regulates our storm sewers that discharge directly to surface waters, as opposed to those that connect to a combined sewer. PWSA has 258 separate storm sewer outfalls across the City under this permit. We have been working on inspection and mapping of the stormwater systems in City parks larger than 50 acres. Mapping of this system is required in the permit and will provide important information on the catch basins, manholes, pipes, and outfalls in these parks that was previously unmapped or unknown by the City. We anticipate continuing the mapping into 2024 to complete the effort and are currently working in Highland Park.

The Annual Report for our MS4 Permit is due on September 30<sup>th</sup>. This comprehensive report on the MS4 efforts covers the reporting period from July 1, 2022 through June 30, 2023 and requires significant coordination between PWSA and the City of Pittsburgh to compile the required information. We are on schedule to complete this submission of this annual report. Work on MS4 compliance includes many different efforts, including public education and participation, illicit discharge detection and elimination, construction stormwater controls, post construction stormwater management, and pollution prevention and housekeeping, which we will continue to work with the City on throughout the year.

### **Report of the Chief Executive Officer**

Will Pickering, Chief Executive Officer, presented the details of this report. I'm glad Ed highlighted our presence at the Water Infrastructure Conference in Philadelphia. Some members of the Engineering Team presented on a couple different topics there. Julie Meckling presented to the Pennsylvania Municipal Authorities Association. We were the largest municipal authority in the room. Our hope is that we can continue to be a resource for some of the smaller municipal authorities struggling with a lot of the same challenges that that we have or have had. I was asked to present on a webinar hosted by the US Water Alliance related to incorporating equity in decision making. I walked through our equity metrics that we use for prioritizing lead service line replacement and some small diameter water main replacement with their representatives from Cincinnati and Philadelphia on that call. Some of those other cities had very good plans and systems in place, but we were the only ones actually doing the

work. As Barry said, 10,400 public led service lines were replaced in recent history. We are far ahead of a lot of other cities and we're being recognized for it.

It is a PGH2O Excellence Award month. We have a handful of some excellent recipients from our team today. Keith Gonzalez, Operator at the Drinking Water Treatment Plant; Sarah Nunley, Compliance Analyst, Customer Service; Rhonda Lee, Customer Service Training Coordinator; and Deb Hearn, Tony Veneziano and Keith Evans of our Leak Detection Team. Congratulations to all the recipients this month.

Finally, on a bittersweet note, I will acknowledge this is likely Rosamaria's last Board meeting at the Pittsburgh Water and Sewer Authority. She has served ably on this Board for three years. We on-boarded her during COVID. You were an asset to the organization and your perspective was fresh. You challenged us with really good questions. I'm happy that our customer service and outreach team has met and established relationships with your team at the Latino Community Center. Thank you Rosamaria.

Mr. Sciulli - First of all, Will, I think you're too modest. You didn't mention the fact that you won the Industry Leader Award from the March of Dimes. Congratulations! As for Rosamaria serving as a Board Member, I feel like we have a fairly diverse Board. My interests tend to be more technical. I appreciate the questions that you have asked of the Board, both in Executive Session and in the Board meetings, which mostly function on the ratepayer and the citizen. You know we never want to lose sight of that we're here for our customers. I think in many ways you have enlightened us in terms of nuances that we should be thinking about as simple as putting our messages in different languages. Thank you very much for your service.

Ms. Cristello - This has been a great Board. I've learned so much from all of you. It's been an honor, and I'm not going anywhere. It's super important to have the voice and representation of people that use the water right and use the service. It's the right thing to do. Thank you.

## **RESOLUTIONS**

**No. 50 of 2023      Authorizing the Securing of Funding by the Pittsburgh Water and Sewer Authority from the Pennsylvania Infrastructure Investment Authority ("PENNVEST") in the Aggregate Maximum Principal Amount of \$14,605,000.**

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This funding award is for the 2023 Neighborhood Lead Service Line Replacement Program of which \$4,599,382 is a 1% loan and \$10,005,618 is a grant.

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.

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**No. 51 of 2023      Approving the Reimbursement Resolution for the 2023 Neighborhood Lead Service Line Program (Contract B) as Required by the PENNVEST Closing Process.**

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The costs are reasonably expected to be reimbursed with cash proceeds, up to the maximum principal amount. This Resolution is a declaration of official intent adopted pursuant to the requirements of the Treasury.

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

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

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**No. 52 of 2023      Approving the Contract Increase and Extension of a Professional Services Agreement for Financial, Compliance, and Performance Improvement Services to Raftelis Financial Consultants Inc., in an Amount Not-to-Exceed \$266,629.00.**

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An additional one-year extension with a term of October 9, 2023 to October 9, 2024 is being requested so that Raftelis can continue to support PWSA through the ongoing 2023 Tariff Filing, as well as provide additional financial analysis, support compliance efforts, support stormwater efforts, and assist with metric reporting as needed.

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

Mr. Sciulli – Is this work related to stormwater?

Mr. Barca – It is. This extension includes a continuation of Raftelis' services through this current rate case and then any wrap-up of the rate case early into next year and then also the continuation of their stormwater support all the way through next October.

Dr. Murrell – Just an acknowledgement of the consistency of keeping diversity goals in mind.

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

**No. 53 of 2023      Approving the Award of Option Year Three of Multiple Capital Contracts for the 2023 Small Meter Replacement Project to Neptune Technology Group Inc., and L/B Water Inc. Cumulative Capital Budget \$2,273,170.00**

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This award is for the necessary purchase of replacement water meters, including both positive displacement meters and electromagnetic meters, and meter parts and appurtenances.

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.

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**No. 54 of 2023      Approving an Amendment of a Professional Services Agreement for Engineering Services for Highland Reservoir Pump Station and Rising Main to Mott MacDonald, LLC. Capital Budget \$945,842.50.**

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Mott MacDonald’s engineering services for this project were initiated in 2017, and the project scope and involvement has evolved since that time. This amendment is requested for additional budget for design services during construction.

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

Mr. Sciulli – This was just a change for the length of time to execute as opposed to other contingent factors correct?

Mr. King – Correct. No oversights or errors.

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

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**No. 55 of 2023      Approving a Change Order of a Capital Contract for Construction of the 2022 Neighborhood Lead Service Line Replacement Program to Independent Enterprises, Inc. Capital Budget \$1,754,947.17.**

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The 2022 Neighborhood Lead Service Line Replacement project is funded by a grant from the City of Pittsburgh’s American Recovery Plan Act funds. Since the original construction bids came in under budget, this change order will allow PWSA to take advantage of the entire grant award.

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

Mr. Martin – Just want to congratulate the Authority and the continued leadership in these lead service funds and approvals.

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

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**ADJOURNMENT OF THE MONTHLY BOARD MEETING**

Chair Sciulli entertained a motion to adjourn the Board Meeting. Dr. Murrell so moved.

The next scheduled Regular Board Meeting will take place on Friday, October 27, 2023.

*Michael Domach*

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Michael Domach, Assistant Secretary