

**Minutes of the  
Regular Board Meeting  
Of the Pittsburgh Water and Sewer Authority  
Held on December 15, 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, December 15, 2023, at approximately 10:00 a.m.

**ROLL CALL** – Six (6) Board Members were present. Mr. Sciulli and Mr. Bey were absent.

**Participants from PWSA:** Will Pickering, Frank Sidari, Barry King, Ed Barca, BJ McFaddin, Debby Gibson, Paul Spara, Rebecca Zito, Rachel Rampa, Deana Whipp, Kasey Stewart, Monica Walaan, Logan Carmichael, Lee Haller, Kevin Pawlos, Thoryn Simpson, Giuseppe Sciulli, Jennifer Guo, Holly Bomba, Janice Abate, John Nagel, Megan Thiessen.

Also present was Solicitor Danny Cerrone of Clark Hill, Tom Prusak of Hatch, Nick Modany of JMT.

A total of 29 participants were in attendance.

**PUBLIC COMMENT** – None.

**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**

Vice Chair Strassburger entertained a motion to approve the Minutes from the Regular Board Meeting held on November 17, 2023. Dr. Murrell so moved, and Mr. Martin seconded the motion.

No discussion held. The Board unanimously approved.

**FINANCIAL REPORT**

Ed Barca, Director of Finance, presented the details of this report. Year-to-date receipts through November 30, 2023 of \$184.1 million or 89.1% of the total budget. Approximately \$15.0 million was collected in November as compared to the budget amount of \$18.7 million, representing a difference of \$3.7 million. This shortfall is attributable to two factors. The first is the timing of payments as we are experiencing strong collections so far through December. The second factor is water, wastewater, and stormwater payments from the City of Pittsburgh. Collections

from the City were budgeted to be paid monthly, but the full amount owed for the year will be paid this month as part of the Cooperation Agreement between the City and PWSA.

Total forecasted year-end receipts, excluding the budgeted \$4.5 million transfer from the Rate Stabilization Fund, are \$207.2 million. This represents an increase of \$546,000 or 0.26% as compared to the budget. The transfer from the Rate Stabilization Fund is no longer planned due to stronger than expected financial performance. Year-to-date departmental operating expenditures are \$113.0 million, which is 96.0% of the total budget.

\$71.9 million in debt service costs have been paid year-to-date, which is 93.9% of the total budget. Forecasted year-end debt service is projected to be \$73.0 million or about \$3.5 million lower than budget.

PWSA's cash balance on November 30, 2023 was \$88.1 million, which is \$8.1 million higher as compared to the prior year. In addition, year-to-date capital expenditures are \$107.1 million, marking the fifth consecutive year with PWSA's annual capital investment over \$100 million. To put this into perspective, PWSA has invested over \$300 million more in its system within the last five years than it did in the prior five years between FY 2014-2018.

The 2024-2028 Capital Improvement Plan includes \$1.8 billion in infrastructure improvements over the next five years. These improvements are a continuation of critical initiatives, such as the Water Reliability Plan and Lead Service Line Replacements. I would like to thank the Board for their time in reviewing the plan.

Lastly, I want to announce a new interactive online budgeting tool that the Finance Department will be launching in January 2024. The purpose of the tool is to provide more transparency into how PWSA budgets as well as spends its public funds.

Mr. Martin: What was the single largest source of uncertainty for you over this past year overall?

Mr. Barca: I think overall it continues to be inflation. We have seen that stabilize going into quarters 3 and 4 this year, and the data that the Federal Reserve is putting out really confirms that it seems like we're heading to slow down in inflation.

Dr. Murrell: I want to express the importance of the new tool that you mentioned. You don't see that a lot, and it is important that PWSA is doing that.

Ms. Strassburger: I will second that sentiment. Is there any space on that site where an individual can post feedback, pose a question, or have an opportunity to comment on a proposed budget and then receive feedback?

Mr. Barca: The first launch will not include that because we wanted to get basic facts about our budgets out. We do intend to offer more public meetings about our budgets going into the new year to talk about what our priorities are and understand from the public what their priorities are.

### **Engineering Report**

Barry King, Director of Engineering and Construction, presented the details of this report. A total of 10,674 Public and 7,490 Private-Side Lead Service Lines have been replaced up through December 13, 2023 across all Contracts and Operations. The ARP-funded 2022 Neighborhood Lead Service Line Replacement project continues to wind down. All prior Lead Service Line Replacement activities are now complete.

The PENNVEST-funded 2023B Neighborhood Lead Service Line Replacement program finished verifications in the Lincoln-Lemington-Belmar neighborhood, and this week moved into Perry South. The 2023B Neighborhood LSLR construction program is moving towards a late February 2024 closing with PENNVEST and early March 2024 construction start. A funding request was made to PENNVEST for the 2024A Neighborhood Lead Service Line Replacement Program for a \$34M project. While we wait for PENNVEST's decision in January 2024, we have started the planning process to be able to move quickly if that funding is awarded.

The Highland Reservoir Pump Station Project is now underway. Disinfections of both the Rising Main 4 and the 48" Highland Rising Main have been completed, with the receipt of clear bacteriological samples for both projects. We have submitted the certificates of construction completion and are only awaiting receipt of Operating Permits from the PADEP. The only remaining scopes of work on these projects are final restoration.

The American Council of Engineering Companies of Pennsylvania, or ACEC/PA, selected PWSA to receive two awards under their 2024 Engineering Excellence Awards, which includes the 2024 Diamond Award for the 2020 Large Diameter Sewer Rehabilitation under the Waste and Stormwater Category, and a 2024 Diamond Award for Client Distinction. PWSA was selected for the Client Distinction based on our exercising fair business practices, providing a visionary approach and practice toward team building and/or partnering, serving to influence or provide service on issues of importance to consulting engineers, and performing as an outstanding client to consulting engineering firms in general.

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

Frank Sidari, Chief Environmental Compliance and Ethics Officer, presented the details of this report. PWSA maintains an environmental compliance and ethics program which establishes a foundation of PWSA's compliance with water quality and environmental requirements in accordance with federal, state, and local laws and regulations; orders and agreements; and PWSA's policies and procedures. The primary goals of the program are to maintain compliance through prevention, early detection, and appropriate response. Our common goal in providing public reports is to assure our customers that PWSA is continually focused on keeping our drinking water clean and safe, keeping lead levels as low as possible, and preparing our water and sewer systems to operate well into the future.

Over 200 routine inspections are performed at least monthly by the Environmental Compliance Department that support our priorities of clean and safe water. These preventative inspections and feedback to our operations and safety teams serve as internal audits providing early detection of any concerns. Inspections include 68 chemical storage tank facilities, 47 spill kits, 11 waste storage areas, 8 spill prevention, control and countermeasures locations, 11 drinking water pump stations, 14 drinking water storage tanks and reservoirs, 22 interconnection vaults, and 15 NPDES stormwater outfalls and 17 contributing inlets. This is in addition to ongoing inspections and monitoring of over 100 sewer flow meters, multiple combined sewer diversion structures, 4 sewer pump stations, 2 industrial discharge points and our MS4 stormwater outfalls. In the last year, Environmental Compliance has been moving to a cloud-based Environmental Management System which provides traceability of both the inspection and any required corrective actions to provide an appropriate response to a finding.

Ms. Strassburger: I want to thank you for your work and the proactive nature of your work.

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

Will Pickering, Chief Executive Officer, presented the details of this report. This has been a banner year for us. I see it as a more normal year coming out of Covid in our ability to advance some of the projects that we have been talking about for four or five years. The approval of the capital improvement plan and subsequent capital improvement plans are going to get us there. There have been large dollar investments in lead service line replacements. There was a new proposed Lead and Copper Rule requiring public drinking water utilities to replace all of their lead lines within 10 years of that rule being effective. I think it's truly amazing that we are well in hand to comply with that rule. We are in constant communication with our peers. Our peer utilities are knocking on our door to figure out how we've gotten to the halfway point of replacing all of our lead lines. By the time this rule is effective, if we do everything we can to pursue grant dollars, we can get to that goal of replacing all of our lead service lines by 2026. Pittsburgh remains a leader when it comes to addressing this rule. There has been a lot of media attention related to cybersecurity and drinking water utilities. As you know, there was a nearby regional municipal authority that did experience a cyber-attack. I want to affirm that PWSA is constantly vigilant for these sources of threats. We are in close communication with our federal and regional stakeholders who can provide us best practices, and we're making the investments we need to position ourselves as best we possibly can from a threat like this. This hack is not one that has impacted PWSA, and we don't believe the circumstances around it would have affected us. We just want to clarify for the record that this is an organizational priority and one that all teams within PWSA are focused on to make sure our water systems are safe and protect public health. I will wrap things up by saying Happy Holidays. I want to thank everyone on the Board for their year of commitment, guidance, and oversight.

Ms. Strassburger: I want to thank the staff as well.

Ms. McCormick Barron: I want to add my congratulations to everyone in the room for a great year. Thank you all.

## **RESOLUTIONS**

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**No. 85 of 2023      Approving and Adopting the 2024-2028 Capital Improvement Plan.**

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The five-year CIP includes over \$1 billion in capital projects. Approving the CIP will allow the PWSA management and staff to complete projects for compliance with regulatory requirements, restore infrastructure, and provide reliable services.

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

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

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**No. 86 of 2023      Approving the Award of Insurance Contracts for Fiscal Year 2024 in an Amount Not-to-Exceed \$1,094,000.**

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The insurance contracts for fiscal year 2024 include: Property, Equipment, Inland Marine, and Terrorism, Business Auto, Workers Compensation, Public Officials Liability/Employment Practice Liability, Umbrella, and Cyber Liability.

Vice Chair Strassburger entertained a motion to approve for discussion. Dr. Murrell so moved, and Mr. Domach seconded the motion.

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

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**No. 87 of 2023      Acknowledging Receipt of the 2023 Annual Report of the Consulting Engineer.**

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MS Consultants, Inc., prepares an Annual Report for PWSA as required by the senior and subordinate bond indentures.

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

Dr. Murrell: Anything surprising in what they provided?

Mr. Barca: It's really just a continuation of all of the good things we are doing, and they expect that to continue moving forward.

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

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**No. 88 of 2023**      **Approving the Award of the Main Water Treatment Plant Security Operations Center to Caliber Contracting Services, Inc., for the Water and Wastewater Safety and Security (PENNVEST) project. Capital Budget \$1,102,000.76.**

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This project includes the provision and installation of a security operations center at the main Water Treatment Plant front gate.

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

Ms. Strassburger: I want to offer my thanks for the excellent work you've been doing to make sure that the safety and security of our water is foremost at the Authority's mind and making sure the Board is informed of all of the advancements of the work that you and your team are doing.

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

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**No. 89 of 2023**      **Approving the Award of Fencing and Gates to Giacorp Contracting Inc., for the Water and Wastewater Safety (PENNVEST) Project. Capital Budget \$3,139,350.**

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This project includes the provision and installation of fencing, automated gates, man gates, and bollard protection at a total of 18 PWSA locations.

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

Ms. Leber: I just want to echo Erika's comments about how important this is and to thank you for your work.

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

**No. 90 of 2023**      **Authorizing the Chief Executive Officer to Sign the Third Amendment to the September 6, 2019 Consent Order and Agreement With the Department of Environmental Protection and Any Related Documents.**

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PWSA has transmitted a request to PA DEP to amend the current COA with the goal of including milestone-based construction deadlines that reflect the complex and time-consuming nature of individual projects which require careful sequencing of design and construction to maintain water production and supply during implementation.

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

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

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**No. 91 of 2023**      **Approving a Change Order of an Operating Contract for the 2023 City Park CCTV and Investigations to MS Consultants. Operating Budget \$507,743.**

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This project was identified to investigate CCTV storm sewer infrastructure, pipes, manholes, catch basins and outfalls in City Parks to comply with MS4 mapping requirements. This Resolution requests a time and funding extension to finish the remaining parks.

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

Mr. Martin: Was it a scheduling issue?

Mr. Sidari: This was an extension because there was additional work that needed to be done to get all of the City Parks mapped. The contracting group we had was performing very well into not delaying these schedules.

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

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**No. 92 of 2023**      **Approval of Water Treatment Plant Chemicals Sodium Hypochlorite, Option Year 2 contract to Univar Solutions USA, Inc. Operating Budget \$1,891,750.**

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Vice Chair Strassburger entertained a motion to approve for discussion. Mr. Domach 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. 93 of 2023      Approval of Water Treatment Chemicals, Option Year 3, to BioSafe Systems, PVS Technologies, Polydyne Inc., SAL Chemical, Univar Solutions, and W.K. Merriman. Operating Budget \$5,361,278.40.**

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Water treatment chemicals are the most essential commodity for the production of high-quality drinking water.

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

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

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**No. 94 of 2023      Approving the Award of a Capital Contract for Construction of 2023B Neighborhood LSLR Project to 5 Star Energy Services. Cumulative Capital and PENNVEST Budget: \$11,153,529.**

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This project involves the verification of service line materials, replacement of lead service lines and restoration work in the Homewood North, South and West, Larimer, Middle Hill, and Fineview neighborhoods of the City of Pittsburgh.

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

Dr. Murrell: Just want to acknowledge a good job on supplier diversity numbers for that contract.

Ms. Strassburger: I will echo that and also say great job on obtaining a grant and loan for this type of project.

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

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**No. 95 of 2023      Approving an Amendment of a Professional Services Agreement for Engineering Services for 2023 Small Diameter Water Main Replacement - Contract A to GAI Consultants, Inc. Capital Budget \$425,750.**

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Based on an initial assessment, it is necessary to complete soils testing within the areas identified of concern to classify them as clean fill, regulated



fill, or residual waste. This is being done in anticipation of new requirements established by the PA DEP for the disposal of fill material.

Vice Chair Strassburger entertained a motion to approve for discussion. Dr. Murrell so moved, and Mr. Domach seconded the motion.

Dr. Murrell: Any extra background?

Mr. King: Yes. We are running into a situation where we are trying to address the state's requirements for disposal of clean fill. This specifically will allow us to do all of the testing requirements.

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

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**No. 96 of 2023      Approving an Amendment of a Professional Services Agreement for Engineering Services for 2023 Small Diameter Water Main Replacement - Contract B to Johnson, Mirmiran and Thompson, Inc. Capital Budget \$419,486.56.**

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Based on an initial assessment, it is necessary to complete soils testing withing the areas identified of concern to classify them as clean fill, regulated fill, or residual waste. This is being done in anticipation of new requirements established by the PA DEP for the disposal of fill material.

Vice Chair Strassburger 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. 97 of 2023      Approving a Change Order of a Capital Contract for Construction of the 2022 Valve Replacement Contract to Independent Enterprises, Inc. Capital Budget \$397,798.57.**

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Items under the additional scope includes valve replacement locations that due to phasing, traffic control requirements, and other work restrictions, PWSA Operations is unable to complete.

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

Mr. Martin: What was the rationale?

Mr. King: This is one of our indefinite delivery, indefinite quantity contracts. It's the replacement of infrastructure specifically including large and aging diameter valves throughout our system.

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

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**No. 98 of 2023      Approving the Award of a Capital Contract for Construction of the 2024 Small Diameter Sewer Rehabilitation IDIQ Contract to Insituform Technologies, LLC. Capital Budget \$2,165,275.**

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The purpose of this project is to perform 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 liners.

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

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

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**No. 99 of 2023      Approving the Award of a Capital Contract for Construction of the 2022 Dropshaft Manhole Contract to Golden Triangle Construction Company, Inc. Capital Budget \$5,238,450.**

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The scope of work includes construction of three dropshaft manholes. The sites were selected due to inadequate access to adjacent PWSA sewer mains, as assessed from previous PWSA sewer-related projects.

Vice Chair Strassburger entertained a motion to approve for discussion. Dr. Murrell so moved, and Mr. Domach seconded the motion.

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

**No. 100 of 2023    Approving the Award of a Capital Contract for Construction of the Dragoon Way Stormwater Improvements Project to Independent Enterprises, Inc. and Entering Into a Cost Share Agreement With the City of Pittsburgh. Capital Budget \$1,394,752.**

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This project includes the installation of subsurface modular stormwater storage, catch basins, manholes, and an outfall, as well as roadway drainage improvements, including curbing and regrading. This is located in the Stanton Heights neighborhood of the City of Pittsburgh.

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

Ms. Strassburger: I can attest that the City is well on its way to approving its own cost sharing agreement as well.

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

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**ADJOURNMENT OF THE MONTHLY BOARD MEETING**

Vice Chair Strassburger: Before we adjourn, I want to thank everyone at PWSA, senior staff, and everyone who is not here at the Board Meeting but works diligently behind the scenes. Just so proud to serve on this Board and to serve alongside all of you.

Dr. Murrell: I would like to add that the year-long effort and the numbers on the diverse participation is really extraordinary. It is good stewardship of public funds.

Vice Chair Strassburger entertained a motion to adjourn the Board Meeting. Dr. Murrell so moved, and Ms. Leber seconded the motion.

The next scheduled Regular Board Meeting will take place on Friday, January 26, 2024.

*BJ Leber*

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BJ Leber, Secretary