

**Minutes of the
Regular Board Meeting
Of the Pittsburgh Water and Sewer Authority
Held on October 27, 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, October 27, 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, Paul Spara, Rebecca Zito, Giuseppe Sciulli, Jennifer Guo, William McFaddin, Barry King, Frank Sidari, Kevin Pawlos, Bill Bennett, Logan Carmichael, Felecia Daniels, Janice Abate, Kumar Navile, Mike Gasperini, Rachel Rampa, Rachel Romano, Ross Marcinizyn.

Also present was Solicitor Mark Nowak of Clark Hill, Charles Jordan of ms Consultants, Hurley Gammon of KDG, Pat O’Brien of AECOM, Nick Modany of JMT, Lauren Terpak of ms Consultants, Mallory Griffin of GHD, Tom Prusak of Hatch.

A total of 28 participants were in attendance.

PUBLIC COMMENT – None.

EXECUTIVE SESSIONS

Executive Session was held prior to the Board Meeting, wherein legal and policies 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 September 22, 2023. Ms. McCormick Barron so moved, and Ms. Strassburger seconded the motion.

No discussion held. The Minutes were approved by a vote of 6. Mr. Jamil Bey abstained.

FINANCIAL REPORT

Kevin Pawlos, Deputy Director of Finance, presented the details of this report through September 30, 2023. Year-to-date receipts through September 30, 2023 were \$151.2 million or 73.2% of the total budget. Approximately \$16.4 million was collected in September as compared to the budgeted amount of \$18.1 million, representing a difference of \$1.7 million. This shortfall is attributable to weaker than expected water collections. The Department of Finance is projecting that the water collections will recover during the last quarter of the year. Total forecasted year-end receipts, excluding the budgeted four and a half million-dollar

transfer from the rate stabilization fund, are \$206.5 million. This represents a decrease of \$177,000 or -0.9% 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 department operating expenditures are \$83.6 million, which is 70.7% of the total annual budget. \$69.6 million in debt service costs have been paid year to date, which is 90.9% of the total budget. Forecasted year-end debt service is projected to be \$73 million or about \$3.5 million dollars lower than the annual budget. The bulk of this savings is attributable to the bond transaction completed earlier this year. PWSA's cash balance on September 30, 2023 was \$80.5 million, which is \$11.7 million higher as compared to the prior year. In addition, year-to-date capital expenditures are \$74 million. We are in the thick of our budget season at PWSA as it relates to the 2024 operating budget and 2024 through 2028 capital improvement plan. These budgets will shape the priorities of the organization for the upcoming year.

Engineering Report

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

Drinking Water Programs:

Our Lead Service Line Replacement programs continue to progress well. A total of 10,512 Public and 7,369 Private-side lead service lines have been replaced through October 18, 2023 across all contracts and operations.

The PENNVEST-funded 2023B Neighborhood Lead Service Line Replacement program is gearing up. Today we will ask for your approval to award the CM/CI contract. We received bids for the construction, with a total of seven construction firms submitting bids, two of which are new bidders to PWSA. The low bidder is one of those two new firms. Our scheduled closing with PENNVEST is late January 2024, and we expect construction on this project to start in February 2024.

PWSA continues to look ahead to the upcoming Lead and Copper Rule Revisions requirements which take effect one year from now. We are gearing up to meet the service line inventory requirements and planning for the required school and day care sampling. We have completed an evaluation of the impacts of the Lead Copper Rule Compliance sampling and are evaluating other provisions of the regulations. We are also tracking the upcoming Lead and Copper Rule Improvements, which we expect EPA to announce as a draft in November.

Water Reliability Plan Projects:

The Highland Reservoir Pump Station Supply and Rising Mains Project is nearing substantial completion. We are still anticipating completing the remaining construction scope of work by Tuesday October 31st with closeout items continuing into November.

The Rising Main 4 Replacement and Rehabilitation Project is also nearing substantial completion. All water main construction and tie-ins are substantially complete, with final items

to be addressed in November. We are on schedule to submit the Certificate of Construction Completion clearly before the COA deadline of January 14, 2024.

The design and permitting efforts continue on our remaining water reliability plan projects, including the Aspinwall Pump Station and Bruecken Pump Station Improvements and the Clearwell Emergency Response Clearwell Bypass Project. The construction permit application for the ABC Projects are actively being reviewed by the PADEP, who sent an acceptance letter on October 18th, confirming the permit application was deemed administratively complete and was entering technical review.

As for Procurement activities for Engineering and Construction, note that the bids for the Sludge Chamber Pump Project - General/Mechanical and Electrical Contracts are due October 31st at 2:00 PM.

Rebids for the Haverhill Street Stormwater Improvements are due November 2nd at 2:00 PM.

Bids for the Aspinwall Pump Station Concrete Floor Repairs are due November 9th at 1:00 PM.

Bids for the Dragoon Way Stormwater Improvements are also due November 9th at 2:00 PM.

Rebids for the Lanpher Reservoir Booster Disinfection Improvements – HVAC and Plumbing are due November 16th at 2:00 PM.

Mr. Martin: I think what you are doing is exemplary for the nation. Do you have a preview of what the LCR changes will be?

Mr. King: We are aware of elements. We will continue to track it as it does get released.

Mr. Pickering: One item in LCR is performing full lead service line replacements at no direct cost to the customer, which is something we have been doing since 2018. The other is a requirement to replace all lead service lines by a specific date, even if your water quality is in compliance. We're already performing the full replacement at no cost, and our plan is to get it all completed by 2026.

Mr. Martin: What is the schedule for that to be finalized?

Mr. Pickering: The proposal is that it is supposed to be released next month. It will then go through a public comment process, and we will then respond to those comments and potentially finalize the LCR. There is a revision that will be going into effect next year. What Barry is referring to is a second revision under the Biden Administration. .

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. This is the third year we have been conducting audits and assessments of our facilities, which are performed by an independent third-party auditing firm that was previously accepted by the EPA. The field portion of the audit of our water treatment plant began this week and is expected to be completed by the end of November. We will then conduct assessments of approximately 13 locations beyond the water treatment plant. These efforts are focused on environmental compliance, drinking water compliance, and general workplace safety with the objective to:

- Review current environmental and safety practices and identify gaps for PWSA to address.
- Raise awareness of regulatory responsibilities, changes, and challenges.
- Evaluate the facilities against environmental regulatory and workplace safety requirements.
- Ensure that systems are in place to maintain programs going forward.

These audits and assessments are an important part of our environmental compliance and ethics program, as they provide an outside evaluation to help assure the program remains effective.

We have scheduled training for key staff with third-party subject matter experts on Aboveground Storage Tanks, Underground Storage Tanks, and DOT Hazardous Materials Training, including RCRA training for small quantity generators. We have also continued with Monday tailgate trainings for water treatment plant and field operations staff, most recently covering topics such as spill response, paint waste storage, treatment plant chemicals, sanitary drains, spill kits for trucks, and stop work.

In October, PWSA's Sustainability Manager, James Stitt, moved into the Environmental Compliance Department reporting directly to me. Sustainability is a key component of PWSA's Mission and Core Values as we provide essential and dependable water services now and for generations to come. There are a number of synergies between environmental compliance and sustainability, and recent conversations James and I have had touch on things such as solar power, energy management, recycling, beneficial reuse, stormwater, and system resiliency to address climate change.

Report of the Chief Executive Officer

Will Pickering, Chief Executive Officer, presented the details of this report.

I am going to begin my remarks on a sad note. Steve Pressley, who is a fellow colleague and long-time PWSA employee, passed away on October 19th. Steve joined PWSA in May 2001 as a Laborer, served many roles and worked his way up to Leak Detection Specialist in 2017. He was based out of our Brilliant Yard and was a team player and well liked by his colleagues.

I am pleased to report back from the AMWA Executive Management Conference. AMWA is the Association of Metropolitan Water Agencies. These are other public drinking water utilities based out of cities large and small. I was joined by our Chief Legal Officer, Monica Walaan. PWSA received one of the first ever Equity Awards given by AMWA. We were recognized for the approach that we are taking with our lead service line replacement program in terms of how we plan and prioritize that work and the community engagement that we take upon each lead service line replacement project. I am extremely proud of the continual affirmation that we are getting for our work in lead service line replacements and our approach on equity in what we do, which is another one of our five core values. I want to welcome Jamil Bey, who is our newest Board Member. This is his first Board meeting. Jamil and I have worked together

for the last few years on the Pittsburgh Water Equity Task Force and learning teams through the US Water Alliance.

Last month, PWSA started a series of tours and engagements with our high-water users. We had representatives from the Pittsburgh Zoo and Aquarium, as well as UPMC, visit our water treatment plant. Frank was our tour guide. We had members from the operation team, BJ McFaddin and his team interact with those leadership teams generally trying to get our large-water users to understand some of our future projects, the basic water treatment process and just to get to know us better if there are issues related to service outages, construction development, etc. Those meetings went very well

Mr. Sciulli: On behalf of the Board, I want to extend our welcome to Jamil as well. .

Mr. Bey: I have been working with Will since at least 2016 on issues related to my work and the work we are trying to do in the City to make Pittsburgh a more just, equitable and sustainable region.

RESOLUTIONS

No. 56 of 2023 Approving the Financial Assistance Application to be Submitted to the Pennsylvania Infrastructure Investment Authority (“PENNVEST”) for the 2024 Neighborhood Lead Service Line Replacement Program A in the Amount of \$34,880,000.00.

If funding is awarded, PWSA is planning a neighborhood lead service line replacement program similar to programs that were previously funded by PENNVEST. Neighborhoods will be selected based on a prioritization formula developed by PWSA in consultation with our Community Lead Response Advisory Committee.

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. 57 of 2023 Approving the Award of Water and Sewer Inventory Supplies to Bingham and Taylor Corporation, EJ USA, Inc., Ferguson Waterworks, LB Water Services, Inc., and Citco Water. Operating Budget in an Amount Not to Exceed \$13,016,269.92.

Higher quantities and items that may not be used were bid out to ensure that material is available if needed. There is no obligation for the PWSA to spend the entire not-to-exceed amount.

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

Dr. Murrell: I want some clarification on the language in the Resolution about the other firms with their intent not to participate in the Supplier Diversity Program.

Mr. McFaddin: I will find out and get that information to you.

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

No. 58 of 2023 Approving the Award of a Capital Contract for CM/CI Services for 2023 Neighborhood Lead Service Line Replacement Project (PENNVEST) – Contract 2 Project to AECOM. Capital Budget \$1,287,498.56

This project involves the verification of service line materials, replacement of lead service lines and restoration work in various neighborhoods of the PWSA service area.

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

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

No. 59 of 2023 Approving the Award of a Capital Contract for Construction of the Highland Reservoir Pump Station Project – General to P.J. Dick Incorporated. Capital Budget \$26,935,000.

This project involves the construction of a new drinking water pumping station to (1) replace the existing pump station supplying the Garfield storage tank and (2) provide a new supply from the Highland 2 Reservoir to the Highland 1 pressure district to improve the redundancy and resiliency of the drinking water distribution system.

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. 60 of 2023 Approving the Award of a Capital Contract for Construction of the Highland Reservoir Pump Station Project – Electrical to Right Electric, Inc. Capital Budget \$7,880,777.

This project is responsible for addressing all of the electrical scope of work associated with the construction of the new drinking water pump station, rehabilitation of existing chlorine disinfection and monitoring facility at the Highland 2 Reservoir Effluent Gatehouse, and the construction of a new chlorine residual monitoring shelter.

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

Mr. Sciulli: I'm wondering why we don't have the other separation of contracts with HVAC and plumbing?

Mr. King: The HVAC and plumbing fell under the threshold for the approval that the Board needed to provide.

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

No. 61 of 2023 Approving the Award of a Professional Services Agreement for CM/CI for the Highland Reservoir Pump Station Project to AECOM Technical Services, Inc. Capital Budget \$4,164,539.

This award is for services for the Highland Reservoir Pump Station project addressing the construction of a new drinking water pumping station to improve the redundancy and resiliency of the drinking water distribution system.

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. 62 of 2023 Approving Entering Into a Cost Share Agreement With DOMI for the Federally Funded Charles Anderson Bridge Rehabilitation Project. Capital Budget \$15,500.00

This project requires adjustments to PWSA water and sewer infrastructure on Panther Hollow Road, Boulevard of the Allies, Parkview Avenue, and Dawson Street.

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

Ms. Strassburger: It looks like this is work that is being done on either side of the bridge and underneath. Is that for the construction phase or are these permanent infrastructure changes that we are making for when the bridge is reopened?

Mr. King: It is specifically in support of their work to advance their modifications that they are doing for both the access approaches to the bridge.

Ms. Strassburger: So, it is permanent work, it is not temporary just for their construction.

Mr. King: It is permanent work.

Ms. McCormick Barron: Will those improvements be made in conjunction with the bridge repair or is it before or after?

Mr. King: In this instance, it will be done in conjunction with the bridge repair work concurrently.

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

No. 63 of 2023 Approving the Award of a Capital Contract for Construction of the 2021 Large Diameter Sewer Rehabilitation Project to W.A. Petrakis Contracting, Inc. Capital Budget \$4,388,047.00.

This contract includes the rehabilitation of approximately 1,280 feet of existing 72-inch combined brick sewer pipe and the relay of approximately 138 feet of two existing 30-inch waterlines located in the South Side Slopes neighborhood within the City of Pittsburgh.

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

Ms. Strassburger: Do you think that this is a conservative enough budgeted amount given those challenges that we might not even be aware of when we start digging?

Mr. King: We are comfortable that this budget should be sufficient with the amount of contingency that is appropriate.

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

No. 64 of 2023 Approving the Award of a Capital Contract for Construction of the 2023 Small Diameter Sewer Rehabilitation – Contract 1 to A. Merante Contracting, Inc. Capital Budget \$9,376,996.

The purpose of this contract is to complete excavated point repairs and manhole repairs as required, and pre/post construction closed-circuit televising inspections in preparation for future 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.

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

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

No. 65 of 2023 Approving the Award of a Capital Contract for Construction of the 2023 Small Diameter Sewer Rehabilitation – Contract 2 to Independent Enterprises, Inc. Capital Budget \$4,918,669.00

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-place pipe liners.

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

Mr. Sciulli: Besides geography, what's the difference between contract one and contract two?

Mr. King: We just split out the different project areas. There is not a significant amount of difference between each of the projects. There are very similar scopes for all three.

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

No. 66 of 2023 Approving the Award of a Capital Contract for Construction of the 2023 Small Diameter Sewer Rehabilitation – Contract 3 to SAK Construction, LLC. Capital Budget \$4,198,483.00.

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-place pipe liners.

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.

New Business

No. 67 of 2023 Approving an Amendment of a Capital Contract for CM/CI Services for the 2022 Neighborhood Lead Service Line Replacement (LSLR) Program to AECOM. Capital Budget \$396,484.02

This program is funded by a grant from the City of Pittsburgh’s American Recovery Plan Act funds in the amount of \$17,000,000. Since the start of the work, the construction contractor has provided more crews than anticipated in the CM/CI scope of work in their contract. In addition, a Change Order was issued to the contractor increasing their scope of work.

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

Dr. Murrell: Can you clarify if this is something that they found that was not on the original scope of work or was it a cost issue.

Mr. King: The contractor had additional crews that they were putting out to complete the work, which meant you had to have additional CM/CI present that wasn't anticipated in their original scope.

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. Dr. Murrell so moved.

The next scheduled Regular Board Meeting will take place on Friday, November 17, 2023.

Michael Domach

Michael Domach, Assistant Secretary