

**MINUTES OF THE
COMBINED JULY AND AUGUST REGULAR BOARD MEETINGS
OF THE PITTSBURGH WATER AND SEWER AUTHORITY
HELD ON JULY 19, 2013**

The Combined July and August Regular Monthly Board Meetings of The Pittsburgh Water and Sewer Authority, having been duly advertised in accordance with the Sunshine Act, was called to order on Friday, July 19, 2013, at approximately 9:30 a.m., in the Second Floor Board Room, 1200 Penn Avenue, Pittsburgh, Pennsylvania 15222. The following members of the Board were present: Chairman Dan Deasy, Mr. Robert Jablonowski, Ms. Margaret L. Lanier, Mr. Scott Kunka, and Mr. Pat Bigley. Present from the staff were Interim Executive Director James Good, Tom Palmosina, Brendan Schubert, Rachel Romano, Melissa Rubin, Don Waldorf, Gerry Ludwig, Bob Hutton, John Morgan, Kevin Donahue, Autumn Barna and Rachel Rampa.

Also present were Mark Nowak and Deborah Powell, PWSA Solicitors; Bill Sukenik of Chester Engineers; Dave French and Sherri Jeffers of L. Robert Kimball; Matt Sickles of CDM Smith; Jim Weaver of Jeff Zell Consultants; Herb Higginbotham of AECOM; Fredrick Douglas of Cosmos Technologies; Ifeanyi Odigboh of MS Consultants; Bob Zulick and Jeff Moreland of Buchar Horn, Inc.; Stephen Polen of Hatch Mott MacDonald; Kim Kennedy of HDR; Coreen Casadei of Collective Efforts, LLC; Tim Dean of JMT; Jason Borne and Tanya McCoy-Caretti of Arcadis; Tony Offerman and Antoine Boo of Veolia Water; Jason Stanton of Pennsylvania American Water; Jeff Bair of Black & Veatch; Steve Bakoua of Exico, Inc.; Judith Herschell of Herschell Environmental; Carl Hunt of Gannett Fleming; Jim Veri and Ron Miller of URS; Caster Binion, P. Nathaniel Bol and Jung-Wook Kim of Housing Authority of the City of Pittsburgh; Kathy Clupper of PFM; Mary Kellers of McCormack Baron Salazar; Malik G. Bankston of The Kingsley Association; and George Sarapa.

PUBLIC COMMENTS

None.

APPROVAL OF MINUTES

Chairman Deasy entertained a motion to approve the minutes of the June 14, 2013 Board Meeting and the July 10, 2013 Special Board Meeting. There were no comments or corrections noted at this time. Ms. Lanier so moved and Mr. Bigley seconded. The minutes of the June 14, 2013 Board Meeting and the July 10, 2013 Special Board Meeting were unanimously approved.

EXECUTIVE SESSION

An executive session was then held wherein no votes were taken. The Chairman informed the attendees that certain personnel and legal issues were discussed.

BILLS AND COMMUNICATIONS

Resolution No. 64 of 2013, "Awarding an Operating Contract for Large Water Meters, Project No. 13, to Badger Meter, L/B Water Service Inc., Ferguson Waterworks and Neptune Technology Group, Inc.", was read by the Chairman and considered by the Board.

Interim Executive Director Good explained the details of this resolution. No discussion was held and Chairman Deasy entertained a motion to adopt the resolution. Mr. Bigley so moved and Ms. Lanier seconded the motion. Resolution No. 64 was unanimously adopted.

Resolution No. 65 of 2013, "Approving Change Orders", was read by the Chairman and considered by the Board.

Bill Sukenik of Chester Engineers reviewed the change orders. Mr. Jablonowski requested clarification that these change orders are just extensions, which was confirmed by Mr. Sukenik. No further discussion was held and Chairman Deasy entertained a motion to adopt the resolution. Mr. Jablonowski so moved and Ms. Lanier seconded the motion. Resolution No. 65 was unanimously adopted.

Resolution No. 66 of 2013, "Approving Refunds and Exonerations", was read by the Chairman and considered by the Board.

Kevin Donahue, Customer Service Manager, reviewed the exonerations. Mr. Lanier asked about a large refund that was given to UPMC. Mr. Donahue explained that this was due to lost signal at one of their meters which resulted in overestimating monthly usage. Once the meter was read and serviced, it was determined that an adjustment needed to be made, resulting in a refund. Ms. Lanier asked about another refund and Mr. Donahue explained that the refund was due to a typographical error by a customer. No further discussion was held and Chairman Deasy entertained a motion to adopt the resolution. Mr. Bigley so moved and Mr. Jablonowski seconded the motion. Resolution No. 66 was unanimously adopted.

Resolution No. 67 of 2013, "Authorizing Certain Officers and Officials to Take Action in Respect of the Authority's Outstanding (Variable Rate Demand) Water and Sewer System Subordinate Revenue Refunding Bonds, Series C-1 A, B and C of 2008", was read by the Chairman and considered by the Board.

Interim Executive Director Good explained the details of this resolution. No discussion was held and Chairman Deasy entertained a motion to approve. Mr. Kunka so moved and Ms. Lanier seconded the motion. Resolution No. 67 was unanimously adopted.

Resolution No. 68 of 2013, "Adopting the Authority's Amended Rules and Regulations", was read by the Chairman and considered by the Board.

Interim Executive Director Good explained the details of this resolution. Mr. Jablonowski is not in support of the section regarding curb boxes. Mr. Nowak clarified that the board will approve the Rules

and Regulations as submitted with the exception of the section regarding the curb boxes. A study will be conducted regarding the costs associated with the curb box issue. The board may revisit the issue following the results of the study. Chairman Deasy entertained a motion to amend the resolution to revise the section on curb boxes. Mr. Jablonowski so moved and Mr. Bigley seconded the motion. The board unanimously approved the amendment. Chairman Deasy entertained a motion to approve and adopt the Rules and Regulations (as amended). Mr. Jablonowski so moved and Ms. Lanier seconded the motion. Resolution No. 68 was unanimously adopted, as amended.

Resolution No. 69 of 2013, "Approving a Development Agreement with the University of Pittsburgh for a Steamline Project at O'Hara and DeSoto Streets", was read by the Chairman and considered by the Board.

Interim Executive Director Good explained the details of this resolution. No discussion was held and Chairman Deasy entertained a motion to approve. Mr. Kunka so moved and Mr. Bigley seconded the motion. Resolution No. 69 was unanimously adopted.

Resolution No. 70 of 2013, "Approving an Amendment to Consent Order and Agreement, Filter Backwash Recycle Project", was read by the Chairman and considered by the Board.

Interim Executive Director Good explained the details of this resolution. No discussion was held and Chairman Deasy entertained a motion to approve. Ms. Lanier so moved and Mr. Bigley seconded the motion. Resolution No. 70 was unanimously adopted.

Resolution No. 71 of 2013, "Approving the Submission of the Wet Weather Feasibility Study", was read by the Chairman and considered by the Board.

Interim Executive Director Good explained the details of this resolution. No discussion was held and Chairman Deasy entertained a motion to approve. Mr. Jablonowski so moved and Ms. Lanier seconded the motion. Resolution No. 71 was unanimously adopted.

Resolution No. 72 of 2013, "Approving a Resolution to Submit PENNVEST Application for a Consent Order and Agreement Storm Sewer Separation Contract and for the Centre Avenue Sewer Separation Contract", was read by the Chairman and considered by the Board.

Interim Executive Director Good explained the details of this resolution. Mr. Jablonowski inquired as to the type of security request from the SEA. Mr. Good said that the Authority is requesting a letter of credit, payment bond or cash. No further discussion was held and Chairman Deasy entertained a motion to approve. Mr. Bigley so moved and Mr. Jablonowski seconded the motion. Resolution No. 72 was unanimously adopted.

Resolution No. 73 of 2013, "Approving Support of a HUD Choice Neighborhoods Program Grant Application for a Project in Larimer", was read by the Chairman and considered by the Board.

Interim Executive Director Good explained the details of this resolution. No discussion was held and Chairman Deasy entertained a motion to approve. Ms. Lanier so moved and Mr. Bigley seconded the motion. Resolution No. 73 was unanimously adopted.

Resolution No. 74 of 2013, " Approving a Memorandum of Understanding with the Sports and Exhibition Authority ("SEA") for a PENNVEST Loan Application", was read by the Chairman and considered by the Board.

Interim Executive Director Good explained the details of this resolution. No discussion was held and Chairman Deasy entertained a motion to approve. Mr. Jablonowski so moved and Mr. Bigley seconded the motion. Resolution No. 74 was unanimously adopted.

Resolution No. 75 of 2013, "Approving an Amendment to a Professional Services Agreement with AECOM for the PWSA Wet Weather Feasibility Study", was read by the Chairman and considered by the Board.

Interim Executive Director Good explained the details of this resolution. No discussion was held and Chairman Deasy entertained a motion to approve. Ms. Lanier so moved and Mr. Jablonowski seconded the motion. Resolution No. 75 was unanimously adopted.

Resolution No. 76 of 2013, "Approving a Professional Services Agreement with Hatch Mott MacDonald for Integrated Watershed Planning", was read by the Chairman and considered by the Board.

Interim Executive Director Good explained the details of this resolution. No discussion was held and Chairman Deasy entertained a motion to approve. Mr. Jablonowski so moved and Mr. Bigley seconded the motion. Resolution No. 76 was unanimously adopted.

REPORT OF THE INTERIM EXECUTIVE DIRECTOR

PWSA June Monthly Report – Interim Executive Director Good reported on a contract that was awarded for routers in the amount of \$17,502.

Mr. Good commented on a housing project on Ellsworth Avenue where some problems arose but PWSA staff met with the developer and came to an agreement, enabling the families to move into the homes on time. This is a good example of PWSA making an extra effort, with the assistance of Brendan Schubert, Community Outreach Manager, to achieve positive results with customers and the public.

Mr. Good will be hosting a luncheon for the Customer Service Department for staying below the 7% abandonment rate goal for over 3 months. This trend has continued to remain steady and Mr. Good commended Customer Service for all of their hard work and dedication.

Several training programs continue to be successful and well received, including confined space training. More training programs will be offered in the future.

The Authority continues to be 100 percent compliant with regard to drinking water. The non-compliance numbers on the non-drinking water chart are improving and are expected to go up to 100% in the next few months after the Backwash Filter repairs are completed.

CONSULTING ENGINEER'S REPORT

Bill Sukenik, Consulting Engineer, reported that the 2008 construction fund has approximately \$1.2 million remaining in the fund. The full amount of the balance is encumbered. Approximately \$33.5 million out of the \$37.6 million PENNVEST loans/fund has been expended. The CIP expenditures for July were approximately \$970,000 and the total expenditures for 2013 to date are \$6.8 million. Total expected CIP expenditures for 2013 are approximately \$15 million, which is a compilation of balances of the 2008 construction fund, existing PENNVEST loans and funds expected to be expended from new PENNVEST loans. Chester Engineers will remain diligent in managing relatively scarce funding, including PENNVEST and DISC and the Construction Fund. The year is expected to conclude within budget.

UNFINISHED BUSINESS

Mr. Bigley commended Mr. Good for continuing safety training for the Authority staff.

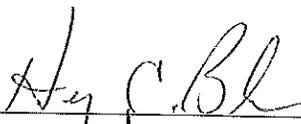
NEW BUSINESS

None.

ADJOURNMENT

No further discussion was held and Chairman Deasy entertained a motion to adjourn. Mr. Jablonowski so moved and Ms. Lanier seconded the motion. The motion to adjourn was unanimously adopted.

The next regularly scheduled board meeting will be held on Friday, September 13, 2013 at 9:30 a.m.


Secretary
