

**MINUTES OF THE
REGULAR BOARD MEETING
OF THE PITTSBURGH WATER AND SEWER AUTHORITY
HELD ON SEPTEMBER 12TH 2014**

The Regular Monthly 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 12, 2014, at approximately 10:00 a.m., in the Second Floor Board Room, 1200 Penn Avenue, Pittsburgh, Pennsylvania 15222. The following members of the Board were present: Chairman Alex W. Thomson, Ms. Margaret L. Lanier, Mr. Paul Leger, Ms. Deborah L. Gross and Mr. Mike Weber. Present from the staff were Interim Executive Director James Good, Joey Tolbert, Brendan Schubert, Tom Palmosina, Melissa Rubin, Bob Christian, Barbara Curry, Kevin Donahue, Glenn Lijewski, Ron Duray, Chris Westbrook, James Stitt, Brendan Schubert, Autumn Barna, Rachel Rampa and Antoinette Palmieri.

Also present were Mark Nowak, PWSA Solicitor; David Troianos and Joe Cusick of Chester Engineers; Bob Weimer and Stephen Polen of Hatch Mott MacDonald; Herb Higginbotham of AECOM; Daniel Cain; Sam Shamsi of Jacobs; John Coyne of GAI; Peter Capizzi of Quality Engineering Solutions, Inc.; Bill Trimbath of Civil & Environmental Consultants; Holly Hudson of Cosmos; Ann Berg of PAW; Glenn Foglio of Graciano; Brian L. Merritt, Mark Gannon, Elizabeth Treadway and Jeff Wright of AMEC; Coreen Casadei of Collective Efforts, LLC; Tim Dean of JMT; Ifeanyi Odigboh of MS Consultants; Ron Ciuccu and Brad Buda of Baker; Jim Weaver of Jeff Zell Consultants, Inc.; George Robinson II of Black & Veatch; Debbie Healey Langley of Hazen and Sawyer; Matt Sickles of CDM Smith; Mark Karolski of Buchart Horn; Rich Palmer of ED3; Carolyn Dimmick of K Bealer Consulting, Inc.; Dave French of ACCD; Michael Stephens of Veolia Water; Kim Kennedy of HDR; Deno De Ciantis of Penn State; Jim Very of URS; Anthony Igew of Wade Trim; Jason McBride of Gannett Fleming; and, Patti Wiltrout of Seubert and Associates.

EXECUTIVE SESSION

An executive session was held prior to the start of the Regular Board Meeting wherein no votes were taken. The Chairman informed the attendees that certain personnel and legal issues were discussed.

PUBLIC COMMENTS

Glenn M. Foglio, President of Graciano Corporation, raised bid issues regarding the gunite contract.

APPROVAL OF MINUTES

Chairman Thomson entertained a motion to approve the minutes of the July 2014 Regular Board Meeting and the August 2014 Special Meeting. There were no comments or corrections noted at that time. Ms. Gross so moved and Mr. Leger seconded the motion. The minutes of the July and August Board Meetings were unanimously approved.

BILLS AND COMMUNICATIONS

Legislative Updates

Brendan Schubert, External Affairs Manager, explained the latest updates in Local, State and Federal legislation. PWSA has been working with the city on a joint effort that is data driven for better infrastructure savings. Ms. Gross was very pleased with the efforts and process on this front.

Financial Updates

Joey Tolbert, Interim Director of Finance, reviewed the cash flow analysis for July 2014.



Report of Consulting Engineer

David Troianos, Chester Engineers, reviewed the Capital Improvement Program Dashboard for August 2014.

Resolution No. 104 of 2014, "Awarding a CIP Contract for the 2014 Sewer Gunite Contract, Project No. 2013-424-202-0, Proshot Concrete"

Bob Christian, Director of Engineering, explained the details of this resolution. Chairman Thomson entertained a motion to adopt the resolution. Ms. Gross so moved and Mr. Leger seconded the motion. No further discussion was held and Resolution No. 104 was unanimously adopted.

Resolution No. 105 of 2014, "Awarding a CIP Contract for the Fair Oaks Sewer Improvement, Project No. 2013-424-173-0, Independent Enterprises, Inc."

Bob Christian, Director of Engineering, explained the details of this resolution. Chairman Thomson entertained a motion to adopt the resolution. Ms. Lanier so moved and Ms. Gross seconded the motion. Ms. Gross asked if this involved sewer separations. It was confirmed that the contract does involve separations. No further discussion was held and Resolution No. 105 was unanimously adopted.

Resolution No. 106 of 2014, "Awarding an Operating Contract for Drinking Water Coliform and Heterotrophic Bacteria Analysis, Project No. PWSA29, CWM Environmental, Inc."

Ron Duray, Director of Water Quality and Production, explained the details of this resolution. Chairman Thomson entertained a motion to adopt the resolution. Mr. Leger so moved and Ms. Gross seconded the motion. No further discussion was held and Resolution No. 106 was unanimously adopted.

Resolution No. 107 of 2014, "Awarding an Operating Contract for Coliform and Heterotrophic Bacteria Analysis, Project No. PWSA29, B and R Pools"

Ron Duray, Director of Water Quality and Production, explained the details of this resolution. Chairman Thomson entertained a motion to adopt the resolution. Ms. Lanier so moved and Ms. Gross seconded the motion. Ms. Lanier questioned why it is being outsourced. Mr. Duray explained that it previously was done in house, but currently PWSA is in the process of having the certifications renewed and is not authorized to do the testing at this time. No further discussion was held and Resolution No. 107 was unanimously adopted.

Resolution No. 108 of 2014, "Awarding an Extension of an Operating Contract for the Purchase of Liquid Ferric Chloride, PVS Technologies, Inc."

Ron Duray, Director of Water Quality and Production, explained the details of this resolution. Chairman Thomson entertained a motion to adopt the resolution. Ms. Lanier so moved and Mr. Weber seconded the motion. No further discussion was held and Resolution No. 108 was unanimously adopted.

Resolution No. 109 of 2014, "Awarding of an Operation Contract for Large Water Meter Purchase / Option Year 1, PWSA Project No. 13, Various Vendors"

Rick Obermeier, Director of Sewer Operations, explained the details of this resolution. Chairman Thomson entertained a motion to adopt the resolution. Mr. Leger so moved and Ms. Lanier seconded the motion. No further discussion was held and Resolution No. 109 was unanimously adopted.

Resolution No. 110 of 2014, "Awarding an Operating Contract for the Piggyback Purchase of 2- Vans through the Commonwealth of Pennsylvania's COSTARS Program Contract No.025, Day Chevrolet, Inc."

Rick Obermeier, Director of Sewer Operations, explained the details of this resolution. Chairman Thomson entertained a motion to adopt the resolution. Mr. Leger so moved and Ms. Lanier seconded the motion. No further discussion was held and Resolution No. 110 was unanimously adopted.

Resolution No. 111 of 2014, "Awarding Insurance Contracts for the Workers Compensation and Automobile Policies to H.A.R.I.E and Public Officials Liability Policy to AIG"

Joey Tolbert, Interim Director of Finance, explained the details of this resolution. Chairman Thomson entertained a motion to adopt the resolution. Ms. Gross so moved and Mr. Weber seconded the motion. Discussion was held to amend the resolution to three million in coverage. Mr. Leger so moved and Ms. Lanier



seconded the motion to amend. No further discussion was held and the amended Resolution **No. 111** was unanimously adopted.

Resolution No. 112 of 2014, "Ratifying the Emergency Purchase of a Recertified Inverter for the Variable Frequency Drive (VFD) on #4 Raw Water Pump at Ross Pump Station"

Glenn Lijewski, Water Treatment Plant Supervisor, explained the details of this resolution. Chairman Thomson entertained a motion to adopt the resolution. Ms. Gross so moved and Mr. Leger seconded the motion. No further discussion was held and Resolution **No. 112** was unanimously adopted.

Resolution No. 113 of 2014, "Approving Change Orders"

David Troianos, Chester Engineers, explained the details of this resolution. Chairman Thomson entertained a motion to adopt the resolution. Ms. Gross so moved and Ms. Lanier seconded the motion. Ms. Lanier requested clarification on the second change order that involved surface restoration on several sites from this past winter. Mr. Troianos explained the backlog of sites that needed the final surface restoration, after the removal of the cold patches that were the temporary fix after the repairs. Mr. Leger expressed concerns over the amount of money involved in these change orders. He questioned why PWSA was not rebidding it. Mr. Good explained that the work was awarded to the contractor and he has the right to perform it. And based on experience, PWSA is going to take a comprehensive look at how it bids out contracts. Mr. Thomson echoed Mr. Leger's concerns. Ms. Gross noted that it is not just about rebidding, but coordinating better with the City to improve the infrastructure. No further discussion was held and Resolution **No. 113** was unanimously adopted.

Resolution No. 114 of 2014, "Approving a Change Order for an Operating Contract for MIU Recycling, eLoop, LLC."

Joey Tolbert, Interim Director of Finance, explained the details of this resolution. Chairman Thomson entertained a motion to adopt the resolution. Mr. Leger so moved and Ms. Lanier seconded the motion. Mr. Leger was pleased that money is still being saved. However, he is concerned that eLoop did not know the type and amount of batteries that they were going to encounter before they bid. No further discussion was held and Resolution **No. 114** was unanimously adopted.

Resolution No. 115 of 2014, "Approving Refunds and Exonerations"

Kevin Donahue, Customer Service Manager, explained the details of this resolution. Chairman Thomson entertained a motion to adopt the resolution. Ms. Gross so moved and Ms. Lanier seconded the motion. Ms. Lanier asked for clarification on the guidelines when exoneration is recommended. Mr. Donahue explained they are based on estimates Commercial properties are adjusted at a 25% rate, and Residential at a 50% rate. No further discussion was held and Resolution **No. 115** was unanimously adopted.

Resolution No. 116 of 2014, "Approving a Private Developer Agreement with Governor's Hotel Company, LP"

Bob Christian, Director of Engineering, explained the details of this resolution. PWSA will be gaining new infrastructure at no cost to the Authority. Chairman Thomson entertained a motion to adopt the resolution. Ms. Lanier so moved and Mr. Weber seconded the motion. Ms. Gross questioned when catch basins are created in the building process. Mr. Christian explained it is based on various factors. However, these basins are expected to be completed by December. Mr. Thomson abstained. No further discussion was held and Resolution **No. 116** was adopted.

Resolution No. 117 of 2014, "Approving a Cost Sharing Agreement for Sewer Repair and Improvement with Mt. Oliver Borough"

Bob Christian, Director of Engineering, explained the details of this resolution. Chairman Thomson entertained a motion to adopt the resolution. Mr. Leger so moved and Ms. Gross seconded the motion. Ms. Lanier questioned how the amount PWSA pays is decided. Mr. Christian explained that PWSA's payment varies from situation to situation. For example, with PennDOT, it is 75/25 and with the City it could be 20%. The agreement will always define PWSA's share. No further discussion was held and Resolution **No. 117** was unanimously adopted.



Resolution No. 118 of 2014, "Approving a Funding Request for Project 15206"

James Stitt, Sustainability Coordinator, explained the details of this resolution. Chairman Thomson entertained a motion to adopt the resolution. Ms. Gross so moved and Mr. Weber seconded the motion. Ms. Gross was enthusiastic about seeing this project moving forward. Ms. Lanier agreed with Ms. Gross. No further discussion was held and Resolution **No. 118** was unanimously adopted.

Resolution No. 119 of 2014, "Adopting a Conflict-of-Interest Policy"

Mark Nowak, PWSA Solicitor, explained the details of this resolution. Chairman Thomson entertained a motion to adopt the resolution. Mr. Leger so moved and Ms. Lanier seconded the motion. No discussion was held and Resolution **No. 119** was unanimously adopted.

Resolution No. 120 of 2014, "Authorizing Certain Officers and Officials to Take Action in Respect of Water and Sewer Subordinate Revenue Refunding Bonds, Series C-1 and C-2 of 2008 and Related Interest Rate Swaps."

Joey Tolbert, Interim Director of Finance, explained the details of this resolution. Chairman Thomson entertained a motion to adopt the resolution. Ms. Lanier so moved and Ms. Leger seconded the motion. Mr. Thomson and Ms. Gross are pleased that it is a fixed rate. No further discussion was held and Resolution **No. 120** was unanimously adopted.

Resolution No. 121 of 2014, "Awarding a Professional Services Contract to Alex G. Sciulli, P.E."

Mark Nowak, PWSA Solicitor, explained the details of this resolution. Chairman Thomson entertained a motion to adopt the resolution. Ms. Gross so moved and Ms. Lanier seconded the motion. Mr. Leger noted that this is the most responsible board upon which he has served. He advised the board to seek an outside trustworthy source to audit the Authority. He would like a benchmark for the Authority and to identify the problems that will need to be addressed. Mr. Leger and Ms. Lanier believe Alex Sciulli is the best candidate to take on this task. No further discussion was held and Resolution **No. 121** was unanimously adopted.

Report of Executive Director

Interim Executive Director, Jim Good, reviewed a few highlights from the past month.

A press event was held at Schenley Park to announce the collaboration between Pittsburgh Parks Conservancy, City of Pittsburgh, ALCOSAN and PWSA in a restoration project taking place in the Panther Hollow Watershed. PWSA is excited to work on this effort that will benefit the entire City of Pittsburgh. The project will help restore the viability of the Four Mile Run Watershed and the use of Panther Hollow Lake. Congratulations to James Stitt for being involved in this ground breaking effort.

August 27th 2014 was the third annual PWSA picnic. This year it was held at Brilliant yard.

WQED will be airing a program showing Pittsburgh from the water ways. PWSA is one of the sponsors of this program. It is proud to help showcase PWSA's water heritage.

Strategic planning continues right now the focus is on five areas: fleet management, communication, safety, career enrichment, and performance evaluations. An RFP is in progress to look at the options of moving away from First Vehicle. The logo is being refreshed and it will be previewed in the fall to the board. Dispatch is taking time to shadow the field workers, and the field workers are shadowing dispatch to gain a better understand of each other's job.

Brendan Schubert and Jim Good have been meeting with Carnegie Mellon administrators to discuss possible graduate student projects. This is a great potential partnership.



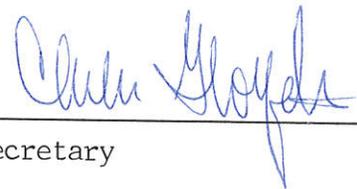
PWSA commissioned a firm to review the rate subsidy. The findings included an error in the fire service line rate.

PWSA is working on a backlog of fire hydrant inspections while working with the fire department. A combined goal has been created to meet the backlog demands. The hydrants are on a cycle of being tested every five years. Mr. Leger suggests looking into transferring all the testing over to the local fire stations.

Adjournment of Regular Monthly Meeting

There were no further discussions. Chairman Thomson entertained a motion to adjourn. Ms. Lanier so moved and Ms. Gross seconded the motion. The motion to adjourn was unanimously adopted.

The next meeting will be on October 10th 2014.

A handwritten signature in blue ink, appearing to read "Chun Hoyle", is written above a horizontal line.

Secretary

