MINUTES OF THE REGULAR BOARD MEETING OF THE PITTSBURGH WATER AND SEWER AUTHORITY HELD ON DECEMBER 18, 2015

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, December 18, 2015, 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: Chairperson, Alex Thomson, Vice Chairperson, Ms. Margaret L. Lanier, Mr. Paul Leger, Ms. Caren Glotfelty, Ms. Deborah L. Gross, Ms. Andrea Geraghty, and Mr. Michael Weber. Present from the staff were Executive Director James Good, Rosanne Salerno, Ron Duray, John Morgan, Rachel Romano, Kent Lindsay, Glenn Lijewski, James Stitt, Katherine Camp, Robert Christian, Rachel Rampa, Kelley Benson, George Robinson, Autumn Barna, Tanya Gore-White, Brendan Schubert, Megan Zeigler, Don Waldorf and Rick Obermeier.

Also present were Mark Nowak, PWSA Solicitor; Kyle Hood, Giuseppe Sciulli, and Robert Weimar of Hatch Mott MacDonald; Ciara Kimbrough of Cosmos; Ron Ciucci of Baker; Sam Shamsi of Jacobs; Mark Gannon and Tim Dean of Amec Foster Wheeler; Herb Higginbotham of AECOM; David Troianos and John Coyne of GAI Consultants; Tony Gwe of Wade Trim; Michael Stephens of Veolia; Carolyn Dimmick; Kim Kennedy of HDR; Jeff Krakoff of KCI; Dave French of DRF Consulting; Coreen Casadei of Collective Efforts, LLC; Bob Zulick of HRG; Matt Sickles of CDM Smith; Mark Karolski and Greg Scott of Buchart Horn; Brian Merritt of Black & Veatch; Patti Wiltrout of Seubert & Associates; Glen Stephens and Khalife Traone of G. Stephens, Inc.; Rulism Evans of GHD; Bob Jablonewski, former Board member; and Sean Conroy.

CALL FOR PUBLIC COMMENT

Mr. Sean Conroy stood for public comment. A dye test was performed and passed in 2008 when Mr. Conroy purchased 1945 Witt Street. However, when he sold the property in November 2015, the property failed the dye test. Mr. Conroy requested reimbursement of $11,289.24 for the repairs. This was Mr. Conroy's return visit because he received no response to his request for reimbursement. Mr. James Good confirmed receipt of the request and that the PWSA's response was mailed yesterday.

There was no public comment related to Total Maximum Daily Load.

EXECUTIVE SESSIONS

An executive session was held prior to the start of the Regular Board Meeting wherein no votes were taken. Chairperson Thomson explained that legal and personnel matters were discussed.

APPROVAL OF THE MINUTES

Chairperson Thomson entertained a motion to approve the minutes of the November 20, 2015 Regular Board Meeting. Ms. Glotfelty so moved and Mr. Leger seconded the motion. The minutes were unanimously approved.

BILLS AND COMMUNICATION

Financial Updates

Kent Lindsay, Finance Director, reviewed November's financial information. November was a strong month as our collections of under-billed customers continued to catch up. Non-operating expenses were on budget. Chairperson Thomson requested, for clarity in the presentation, that accruals be presented in the same manner as audited operating expenses in 2016 reports.

Legislative Updates

Brendan Schubert, External Affairs Manager, provided updates on Local, State and Federal legislation, including major obstruction of legislation and the Private Lateral Bill. Mr. Schubert noted the federal grant with the Army Corp of Engineers for a green infrastructure project at Negley Run. Ms. Geraghty asked about a meeting with Tina Davis, a PUC advocate, And Mr. Schubert advised that a meeting to address her concerns had occurred.

Report of Consulting Engineer

Bob Weimar, Hatch Mott MacDonald Group, reviewed the Capital Improvement Program Dashboard. Mr. Weimar noted the progression in Engineering and adopted metrics, including two projects that were completed with no change orders. Approximately $50 million (about $1 million in invoices not processed yet) was spent in addressing urgent repair issues. One quarter of the money was spent in three areas – breaks, water improvement for the system, and green infrastructure. The new planning and design process and lessons learned process are in place. Chairperson Thomson appreciates the work spent on the process that eliminates significant cost overruns.

Resolution No. 103 of 2015
Approving Refunds, Legal Adjustments, and Exoneration Adjustments Recommended by the Water Exoneration Hearing Board in November, 2015

Tanya Gore-White, Customer Service Manager, explained the details of this resolution. Chairperson Thomson entertained a motion to discuss and adopt the resolution. Ms. Lanier so moved and Ms. Geraghty seconded the motion. No further discussion was held and the Resolution was unanimously adopted.

Resolution No. 104 of 2015
Approving the 2016 Operating Budget

Kent Lindsay, Director of Finance, explained the details of this resolution. Chairperson Thomson entertained a motion to discuss and adopt the resolution. Ms. Geraghty so moved and Ms. Glotfelty seconded the motion. No further discussion was held and the Resolution was unanimously adopted.

Resolution No. 105 of 2015
Awarding Insurance Contracts for Property, Inland Marine, Crime, Boiler & Machinery to Travelers and Automotive, and Workers Compensation to HARIE

Kent Lindsay, Director of Finance, explained the details of this resolution. Chairperson Thomson entertained a motion to discuss and adopt the resolution. Ms. Geraghty asked if all insurance policies are in one cycle. Mr. Lindsay confirmed only one policy is on a different renewal cycle. Ms. Glotfelty so moved and Ms. Geraghty seconded the motion. No further discussion was held and the Resolution was unanimously adopted.

Resolution No. 106 of 2015
Awarding a Professional Services Agreement for Bill Presentation, Printing, Mailing, and Electronic Payment Processing Services to Level One, LLC
Kent Lindsay, Director of Finance, explained the details of this resolution. Chairperson Thomson entertained a motion to discuss and adopt the resolution. Mr. Leger so moved and Ms. Geraghty seconded the motion. No further discussion was held and the Resolution was unanimously adopted.

Resolution No. 107 of 2015
Awarding a Professional Services Agreement for a Cost of Service/Rate Study, PWSA Project No. PWSA56, to Raftelis Financial Consultants, Inc.
Kent Lindsay, Director of Finance, explained the details of this resolution. Chairperson Thomson entertained a motion to discuss and adopt the resolution. Ms. Geraghty commented that several bidders did not earn points for NBW participation. Mr. Lindsay said the issue was addressed and the bidders could not comply. Ms. Lanier so moved and Ms. Glotfelty seconded the motion. No further discussion was held and the Resolution was unanimously adopted.

Resolution No. 108 of 2015
Authorizing the Destruction of Specific Outdated Records
John Morgan, Financial Analyst, explained the details of this resolution. Chairperson Thomson entertained a motion to discuss and adopt this resolution. Ms. Geraghty so moved and Ms. Lanier seconded the motion. No further discussion was held and the Resolution was adopted.

Resolution No. 109 of 2015
Approving a MOU with the Department of Public Works (DPW) of the City of Pittsburgh for Paving Services
Brendan Schubert, Manager of External Communications, explained the details of this resolution. Chairperson Thomson entertained a motion to discuss and adopt the resolution. Mr. Leger asked for a description of the agreement. Mr. Schubert explained that in this trial year, the Department of Public Works will handle restoration and PWSA will maintain the construction managers and inspectors staff. After 2016, DPW will have responsibility for restoration, construction management and inspection. Mr. Leger so moved and Ms. Glotfelty seconded the motion. No further discussion was held and the Resolution was unanimously adopted.

Resolution No. 110 of 2015
Approving a contract with the Army Corps of Engineers for a Water Resources Reform and Development Act (WRRDA) Section 219 Grant (Negley Run)
Brendan Schubert, Manager of External Communications, explained the details of this resolution. Chairperson Thomson entertained a motion to discuss and adopt the resolution. Ms. Glotfelty asked if this grant was for partial construction at Negley Run. Mr. Schubert explained that additional funding will be required and all partners agree to work on funding for next year. Ms. Geraghty asked if this project was part of the Rain Garden on Negley Avenue. Mr. Schubert responded that this project is along Negley Run Road. Mr. Good added that this grant was a tremendous achievement and complimented the Green Infrastructure staff. Ms. Lanier so moved and Ms. Glotfelty seconded the motion. No further discussion was held and the Resolution was unanimously adopted.

Resolution No. 111 of 2015
Authorizing the Authority to adopt a Private Contractor Shut Off Permit
Rick Obermeier, Acting Field Services Director, explained the details of this resolution. Chairperson Thomson entertained a motion to discuss and adopt the resolution. Ms. Lanier confirmed the deposit amount from the contractor is $5,000 for the permit. Mr. Good added that if

the job is not completed by the contractor on time, PWSA has to provide bottled water to the affected ratepayers and receives bad publicity. If the job is finished on time, $4,500 of the deposit will be refunded to the contractor. Ms. Glotfelty so moved and Ms. Geraghty seconded the motion. No further discussion was held and the Resolution was unanimously adopted.

Resolution No. 112 of 2015
Approval of Private Developer Agreement with Bailey Park Partners, LP
George Robinson, Manager of Development Services, explained the details of this resolution. Chairperson Thomson entertained a motion to discuss and adopt the resolution. Mr. Robinson confirmed that infrastructure constructed will be turned over to the PWSA upon completion. Mr. Leger so moved and Ms. Lanier seconded the motion. No further discussion was held and the Resolution was unanimously adopted.

Resolution No. 113 of 2015
Approval to update the PWSA Procedures Manual for Developers, excluding Chapter 9
George Robinson, Manager of Development Services, explained the details of this resolution. Chairperson Thomson entertained a motion to discuss and adopt the resolution. Ms. Glotfelty asked if Mr. Robinson had input from developers. Mr. Robinson commented that he solicited input and was meeting with developers. Mr. Robinson also added that GITAC has direct input from developers. Ms. Glotfelty so moved and Ms. Lanier seconded the motion. No further discussion was held and the Resolution was unanimously adopted.

Resolution No. 114 of 2015
Awarding a Professional Services Agreement for an Independent Consultant to ASC Services, LLC
Kelley Benson, Director of Human Resources, explained the details of this resolution. Chairperson Thomson entertained a motion to discuss and adopt the resolution. Ms. Lanier so moved and Ms. Geraghty seconded the motion. No further discussion was held and the Resolution was unanimously adopted.

Resolution No. 115 of 2015
Awarding a Professional Services Agreement for an Independent Consultant to GL Hoover Consulting
Kelley Benson, Director of Human Resources, explained the details of this resolution. Chairperson Thomson entertained a motion to discuss and adopt the resolution. Mr. Leger so moved and Ms. Glotfelty seconded the motion. No further discussion was held and the Resolution was unanimously adopted.

Resolution No. 116 of 2015
Awarding a Professional Services Agreement for the SmartWorks Compass KPI Dashboard to Harris Utilities
Tanya Gore-White, Manager of Customer Service, explained the details of this resolution. Chairperson Thomson entertained a motion to discuss and adopt the resolution. Mr. Thomson added that resolutions 114 thru 116 are part of the continuing effort to improve Customer Service and Billing. Ms. Geraghty so moved and Ms. Lanier seconded the motion. No further discussion was held and the Resolution was unanimously adopted.

Resolution No. 117 of 2015
Approving a Change Order for Additional Pit Filler in relation to the Allentown Tanks Painting & Rehabilitation Project, PWSA Project Number 2013-323-190-0
Bob Christian, Director of Engineering, explained the details of this resolution. Chairperson Thomson entertained a motion to discuss and adopt the resolution. Mr. Leger commented on the great improvement in the reduced size of the change order. Mr. Leger so moved and Ms. Glotfelty seconded the motion. No further discussion was held and the Resolution was unanimously adopted.

Resolution No. 118 of 2015
Approving a Change Order to fabricate and install the manufacture of special fittings to construct the Bruecken Pump Station Valve Improvement Project
Bob Weimar, Hatch Mott MacDonald Group, explained the details of this resolution. Chairperson Thomson entertained a motion to discuss and adopt the resolution. Mr. Leger so moved and Ms. Glotfelty seconded the motion. No further discussion was held and the Resolution was unanimously adopted.

REPORT OF EXECUTIVE DIRECTOR
Chairperson Thomson introduced the report of the Executive Director, Mr. James Good. Mr. Good reviewed the operational data for the previous month, with a focus on exceeded goals for water main repairs, fire hydrant inspections, and restorations. Mr. Good requested a Year in Review be on the agenda for January 2017. Mr. Good noted that 825 paving restorations were completed thru December 13, 2015 and ninety cuts are still open. Customer service calls dropped, but the abandonment rate is higher than desired.

Old Business
Resolution No. 99 of 2015
Exercising an option for a six month extension to the professional services contract for strategic communications with Krakoff Communications
Brendan Schubert, Manager of External Communications, explained the details of this resolution. Chairperson Thomson entertained a motion to un-table this resolution. Ms. Geraghty so moved and Ms. Lanier seconded the motion. Chairperson Thomson entertained a motion to amend the resolution to extend the contract month-to-month instead of a six–month term. Ms. Lanier so moved and Ms. Glotfelty seconded the motion. Chairperson Thomson entertained a motion to discuss and adopt the resolution as amended. Mr. Leger so moved and Ms. Geraghty seconded the motion. No further discussion was held and the Amended Resolution was unanimously adopted.

NEW BUSINESS
Resolution No. 119 of 2015
Awarding a DISC Contract for the 2016 Manhole and Point Line Repair Contract, PWSA Project No. DISC-424-170-0
Bob Christian, Director of Engineering, explained the details of this resolution. Chairperson Thomson entertained a motion to discuss and adopt the resolution. Mr. Leger so moved and Ms. Lanier seconded the motion. No further discussion was held and the Resolution was unanimously adopted.

Resolution No. 120 of 2015
Awarding a CIP Contract for the 2016 Valve and Hydrant Contract, PWSA Project No. DISC-325-229-0

Bob Christian, Director of Engineering, explained the details of this resolution. Chairperson Thomson entertained a motion to discuss and adopt the resolution. Mr. Good added that the winning firm is a new bidder for this contract. Ms. Geraghty requested to pay attention to advertising time near the holiday. Mr. Christian confirmed that a three-week notice period is standard for PWSA contracts. Ms. Lanier so moved and Ms. Geraghty seconded the motion. No further discussion was held and the Resolution was unanimously adopted.

ADJOURNMENT OF REGULAR MONTHLY MEETING

There were no further discussions. Chairperson Thomson entertained a motion to adjourn. Ms. Geraghty so moved and Ms. Glotfelty seconded the motion. The motion to adjourn was unanimously adopted.

The next meeting will be on January 22, 2016.

Secretary