

**MINUTES OF THE
SPECIAL BOARD MEETING
OF THE PITTSBURGH WATER AND SEWER AUTHORITY
HELD ON NOVEMBER 8, 2017**

This 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 November 8, 2017, 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: Ms. Deborah Gross, Ms. Margaret L. Lanier, Mr. Paul Leger, Ms. Debbie Lestitian, Ms. Chatón Turner, and Mr. Jim Turner.

Absent was Mr. Mike Weber.

Present from the staff were Robert A. Weimar, Antoinette Palmieri, Kelly Morgano, Rachel Romano, James Stitt, Julie A. Quigley, Kent Lindsay, George Robinson II, Shannon Barkley, Rebecca Zito, Faith Wydra, Rachel Rampa, and Mora McLaughlin.

Also present was Mark Nowak of Clark Hill PLC, Solicitor; David Connelly of HDR; Jamilah Lahijuddin of Hill District Concerned Citizen Group (HDCG); Ralph Gilbert of Jacobs; Adam Smeltz of the Post-Gazette; Herb Higginbotham of AECOM; Seth Garrison and Harold Smith of Raftelis; George Darow of the PUC; Tom Prusak and Richard Burgess of Hatch Chester; Jason McBride of Wade Trim; Dan Davis and Mark Pitterle of Skelly and Loy; Daniel Cain; Doug Amos of MS Consultants; David Troianos of GAI Consultants; Kathy Chavara and Giuseppe Sciulli of Mott MacDonald; Caitlin Schroering; Aly Shaw; Tom Hoffman of the Sierra Club; Judith Cole of Hershell Environmental; Adam Tuznik of CWA; Heather Dodson and Brad Duda of MBI; Briann Moye, Valerie Allman, and Suzanne South of One PA; Bill Bartlett and Frederick White of PIIN; and Dave Kohl and Tanya Hooks of CWM Environmental.

EXECUTIVE SESSIONS

Chairperson Lestitian informed the attendees that an executive session was held prior to the start of the Regular Board Meeting wherein no votes were taken. Legal and personnel matters were discussed.

CALL FOR PUBLIC COMMENT

There were no public comments.

PRESENTATION BY RAFTELIS, FINANCIAL CONSULTANTS AND PWSA FINANCIAL UPDATES

Seth Garrison, Senior Manager of Raftelis Financial Consultants, Inc., presented "Focusing on the Future" to the Board and to the Board Meeting audience.

Kent Lindsay, Finance Director, presented the Financial Forecast of the Pittsburgh Water and Sewer Authority.

Mr. Turner thanked Mr. Lindsay and his team for all their work they put into the forecast. Mr. Turner asked for PA American Water's current rate. Mr. Lindsay stated that PA American currently charges a rate of

\$10.21 per thousand gallons. PWSA currently charges a rate of \$7.71 per thousand gallons – which is a \$2.50 difference in rate.

Both presentations will be accessible on the Authority's website.

RESOLUTIONS

No. 211 of 2017 Approving the 2018 Operating Budget

Kent Lindsay, Finance Director, explained the details of this Resolution.

Chairperson Lestitian entertained a motion to discuss and adopt the Resolution. Mr. Turner so moved and Mr. Leger seconded the motion.

No discussion was held and the Resolution was adopted.

No. 212 of 2017 Approving the 2018 Capital Budget

Kent Lindsay, Finance Director, explained the details of this Resolution.

Chairperson Lestitian entertained a motion to discuss and adopt the Resolution. Mr. Turner so moved and Mr. Leger seconded the motion.

Mr. Turner requested that Mr. Lindsay elaborate on several of the major areas of the capital spending plan. Mr. Lindsay listed several major projects and their costs, including the planned expenditure of \$10M for 2018 and the total expenditure of \$89M for the Water Treatment Plant.

Ms. Gross requested that a briefing be set up with the City Council members on the PWSA's capital budget.

Ms. Turner asked if the budget covers Authority needs. Mr. Lindsay stated that he is very confident every line has been delved into and that this plan will help bring PWSA up to a best-in-class level.

No further discussion was held and the Resolution was adopted.

No. 213 of 2017 Approving 2018 to 2020 Water Supply and Sewer Conveyance rates

Kent Lindsay, Finance Director, explained the details of this Resolution.

Chairperson Lestitian entertained a motion to discuss and adopt the Resolution. Mr. Leger so moved and Ms. Gross seconded the motion.

Ms. Gross thanked Mr. Lindsay for pointing out the gap between the PA American Water rate and the PWSA's rate. She noted public health is the number one concern and recognized that the rates need to be increased to have the revenue to ensure public health.

Mr. Leger seconded Ms. Gross's statement and reminded the public that the Board members are also rate payers.

No further discussion was held and the Resolution was adopted.

OLD BUSINESS

No. 204 of 2017

Approving a Professional Services Agreement with CWM Environmental, Inc. for the Management and Use of the PWSA's Laboratory

Mr. Weimar, Interim Executive Director, presented the Resolution.

Chairperson Lestitian entertained a motion to discuss and adopt the Resolution. Ms. Gross so moved and Mr. Leger seconded the motion.

Mr. Turner asked Mr. Weimar for his vision for the Lab following the two-year contract period. Mr. Weimar explained he would like to see the Lab restored to its "former glory" through the hiring and training of PWSA staff. Mr. Weimar further explained that all the current staff will be retained, although some roles may change.

Mr. Leger thanked Mr. Weimar for the clarification on the procurement process. Mr. Leger asked that the method of selecting professional service contracts be revised. Mr. Weimar stated the staff will work to develop an additional policy.

Ms. Turner stated that she supports Mr. Leger's comments and asked about the MBE/WBE requests. Mr. Weimar stated that he encourages firms to propose on future contracts.

No further discussion was held and the Resolution was adopted.

NEW BUSINESS

No. 214 of 2017

Approving the Bill Discount Program as the Next Step in the PWSA Customer Assistance Program

Ms. Quigley, Director of Administration, presented the Resolution.

Chairperson Lestitian entertained a motion to discuss and adopt the Resolution. Ms. Gross so moved and Mr. Leger seconded the motion.

Ms. Gross thanked the staff who researched the customer assistance program and stressed how important this is for the customers who may need help with the rate increases.

No further discussion was held and the Resolution was adopted.

Authorization to Enter into a Professional Service Agreement with Dollar Energy Fund to Administer a Customer Assistance Program

Ms. Quigley, Director of Administration, presented the Resolution.

Chairperson Lestitian entertained a motion to discuss and adopt the Resolution. Ms. Gross so moved and Mr. Leger seconded the motion.

Ms. Gross expressed her gratitude to Ms. Lanier and her fellow Board members for their work on a low-income assistance program.

Mr. Leger asked if customers enrolled through other utilities would be approved for the PWSA program. Ms. Quigley stated that they would be approved.

Ms. Gross also thanked the Advocates for their encouragement to improve the PWSA.


No further discussion was held and the Resolution was adopted.

ADJOURNMENT OF THE MONTHLY BOARD MEETING

There were no further discussions.

Chairperson Lestitian entertained a motion to adjourn. Ms. Gross so moved and Mr. Leger seconded the motion. The motion to adjourn was unanimously approved.

The next meeting will be held Wednesday, November 17, 2017 at 10:00 a.m.



Jim Turner, Secretary