

**Minutes of the
Annual and Regular Board Meeting
Of the Pittsburgh Water and Sewer Authority
Held on March 23, 2018**

This Annual and 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 March 23, 2018, 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: Mr. Paul Leger, Mr. Jim Turner, Ms. Deborah Gross, and Ms. Margaret Lanier who participated via conference call.

Absent was Ms. Chaton Turner.

There was a quorum for this meeting.

Present from the staff were Robert A. Weimar, Debby Gibson, Debbie Lestitian, Will Pickering, Kent Lindsay, James Stitt, Tyler Chilcott, Shannon Barkley, George Robinson, Julie Quigley, BJ McFaddin, Kelly Morgano, Rick Obermeier, and Barry King.

Also present was Mark Nowak of Clark Hill PLC, Solicitor; Heather Dodson, MBI; Adam Smeltz, Post-Gazette; John Coyne, CEC; Ifeanyi Odigboh, MS Consultants; David Troianos, GAI; Tim Dean, Amec Foster Wheeler; Jim Daley, Crawford Consultants; Dave French, DPF Consulting LLC; Jason McBride, Wade Trim; D. Connelley, HDR; Herb Higginbotham, HDR; Sara Waldschmidt, Environmental Data Services; Paul Ionadi, Dynotec; Aly Shaw, Pgh. United; Jon Graham, AIG, Inc.; Tassi Bisers, Clean Rivers Campaign; Don Cain; Jason Borne, MS Consultants; Diane Waldschmidt EDS; Mallory Griffin, JMT; Glen Stephens, GSI; Don Zuch, Hull & Associates, Inc.; Dan Frederick, Monaloh Basin Eng.; Bud Bisceglia, LB Water; Michelle Hinds, SAI; Sean Gulbin, Independence Excavating; Elizabeth Marx, Pennsylvania Utility Law Project; Ralph Gilbert, Jacobs; Vaughan Leer, Wood; Tom Warner, AECOM; Tom Prusak, Hatch; Renee DeMichiei Ferrar, Architectural Innovating; George Dorow, PA PUC; Bridget Johnson, Mascaro Construction; Stephen Polen, Mott MacDonald; Maria Rose, Sierra Club; Vincent Oswald, LB Water Service .

EXECUTIVE SESSIONS

Chairperson Leger 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 No public comment.

APPROVAL OF THE MINUTES

Chairperson Leger entertained a motion to approve the Minutes from February 23, 2018. Mr. Turner so moved, Ms. Lanier seconded.

The Minutes were unanimously approved.

Chairperson Leger addressed the meeting attendees. Next month he will present a modified budget in order to correct some defects that were found in the approved budget of November of 2017. Mr. Leger also advised that the City of Pittsburgh has recently introduced legislation for a Co-op Agreement between the Pittsburgh Water and Sewer Authority and the City of Pittsburgh. The Board has not taken any official position on the legislation and does not intend to take one today. The staff of the Pittsburgh Water and Sewer Authority will continue to work on initiatives. Chairperson Leger requested that the short title of the Agenda include the dollar amount and the source, whether it is capital or operating monies, so that the PWSA can closely monitor the spending of ratepayer money. The meeting agenda should be posted on the PWSA website several days before the meeting. Mr. Leger has advised that he is available to meet with any advocacy group who may wish to discuss anything about the Authority. People can let him know through the Executive Director's Office or see him directly to get his contact information.

FINANCIAL REPORT

Kent Lindsay, Finance Director, presented the Financials from February 2018. Operating Revenues in February were \$15.4 million, Cash Operating Expenses were \$10.4 million, Non-Operating Expenses (primarily debt services) were \$11.5 million, and Net Cash Outflow for the month was \$6.7 million. For the year, two months in, Operating Revenues were \$33.0 million, Cash Operating Expenses were \$26.4 million, Non-Operating Expenses were \$12.6 million, and Net Cash Outflow is \$6.5 million year to date. Mr. Turner asked about the debt services that were under expectation this month. Mr. Lindsay explained that PWSA undertook the refinancing in December and closed on two bond issues, which caused PWSA to contribute less out of cash balance into the debt service. Mr. Turner asked about the status of the line of credit for Operating Cash. Mr. Lindsay advised that he has met with three Financial Institutions and began a dialogue about PWSA's current need for opening an operating line of cash credit. Proposals are being assembled. An RFP will be developed next month and go out for bid. Mr. Turner asked Mr. Lindsay to provide the Board, prior to the next scheduled Board Meeting in April, with a current listing of major delinquencies and status of PWSA's collection efforts. Mr. Leger stated that he continues to be concerned about not meeting PWSA's revenue goals.

ENGINEERING REPORT

Barry King, Interim Engineering Director, announced the Kickoff of the 2018 Curb Box Inspection Program. PWSA is in the second round of curb box inspections to identify the location of the water service lines made of lead. The work will be performed through a \$2.8 million contract with Michael Baker International to inspect 15,000 residential service line connections. Inspections under the 2018 program will begin in the Perry North and Perry South Neighborhoods of the North Side. Streets that will be impacted can be seen via the website at pgh2o.com/press. The Lead Service Line Replacement (LSLR) Pre-Construction Internal Home Inspections began on March 7, 2018. To date, 146 home inspections have been completed. A total goal of 1,500 homes will be inspected by the end of August 2018. Customers can email LeadHelp@pgh2o.com or call the Lead Help Desk at (412) 255-8987 for more information. The Mairdale Avenue Stream Inflow Project design phase is underway as part of the Green Infrastructure (GI) Program. The project is located in Northside's Riverview Park within the O-27 sewershed, one of PWSA's priority sewersheds for GI project development. The Engineering Departments 2018 YTD expenditures from January 1, 2018 through March 17, 2018 is as follows: Capital: \$6,666,372.00, Operations: \$5,770,608.00 with a total of \$12,436,980.00. The PWSA began its Capital Improvement Program by replacing major water lines, stormwater and sanitary sewers along Smallman Street between 16th Street and 21st Street in the Strip District. The project will take place from late April 2018 until winter of 2018. It will provide necessary infrastructure improvements to the neighborhood and in the development of the historic Produce Terminal Building. Mr. Turner requested an update on the Lanpher and Highland 1 Reservoirs. Mr. King explained that with respect to the Lanpher Reservoir, PWSA is now commencing with the initial demolition and moving into the construction phase. PWSA is still waiting on a permit from the DEP to

finalize that. PWSA anticipates that the work will be done on schedule. As far as Highland 1, PWSA is still going through the permit process.

REPORT OF THE INTERIM EXECUTIVE DIRECTOR

Mr. Weimar thanked the staff. The PWSA is starting a program called Watermark, which will be intended to assist PWSA staff in learning how they can improve personally and professionally. As part of PWSA's migration under the PUC, which will occur on April 2nd, there are a number of items that are under review and subject to change. These include: PWSA's infrastructure, the exoneration process, customer service and rates. The first change is that the Exoneration Board will no longer be in existence. The PWSA is working closely with the PUC on a Compliance Plan that covers all the work done by PWSA. The PWSA is focusing on the LTIIP (Long Term Infrastructure Improvement Plan). The purpose of the LTIIP is to have a multi-year infrastructure plan. The PWSA is continuing to do emergency repairs under the DEP and will need to meet a more robust schedule for PUC with work going forward. The PWSA water quality is also under review. The quality is good and has been staying in the appropriate levels. The PWSA is continuing to look into adding Orthophosphate into the system and are preparing a final report to the State next week. The PWSA is ready to move forward once approval is received. The PWSA continues to encourage the public to reach out to the PWSA if they believe they have a lead line or to get a test kit. The PWSA will be adding additional staff to its team and acquiring additional space for its Lead Team to assist with the productivity expected this year with line replacements. The PWSA wants its ratepayers to know that it will continue to make improvements for their benefit.

RESOLUTIONS

**No. 37 of 2018 Approving Refunds, Legal Adjustments and Exoneration Adjustments
Recommended by the Water Exoneration Hearing Board**

Julie Quigley, Director of Administration, explained the details of this Resolution. For the month of February, there were a total of 25 refunds, 7 legal adjustments and 36 exoneration.

Chairperson Leger entertained a motion to approve. Mr. Turner so moved, and Ms. Lanier seconded the motion. Chairperson Leger motioned for discussion.

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

**No. 38 of 2018 Approving Revisions to Chapters 2 and 3 and an Administrative Correction
to Chapter 5 of the Pittsburgh Water and Sewer Authority Rules and
Regulations**

Julie Quigley, Director of Administration, explained the details of this Resolution. Approval is requested to revise Chapters 2 and 3 of the Pittsburgh Water and Sewer Authority Rules and Regulations for language that conflicts with, or is silent with respect to, 52 PA. Code Chapter 56. Approval is also being sought to make an administrative correction to Chapter 5 to correct a cross-reference to a provision in Chapter 3.

Chairperson Leger entertained a motion to approve. Mr. Turner so moved, and Ms. Lanier seconded the motion. Chairperson Leger motioned for discussion.

Discussion held. Board unanimously approved and the Resolution was adopted.

No. 39 of 2018 Approving the Award of Option Year 1 of an Operating Contract for 48 Hour Posting Service, PWSA Project No. PWSA72, to Cosmos Technologies, Inc.

Julie Quigley, Director of Administration, explained the details of this Resolution. Approval is requested to award Option Year 1 of an Operating Contract for 48-Hour Posting Service, PWSA Project No. PWSA72, to Cosmos Technologies, Inc., for a not-to-exceed amount of \$162,900.

Chairperson Leger entertained a motion to approve. Ms. Gross so moved, and Mr. Turner seconded the motion. Chairperson Leger motioned for discussion.

Discussion held. Board unanimously approved and Resolution was adopted.

No. 40 of 2018 Approving the Award of a Sole Source Operating Contract for the Purchase of Sensus Meters, to L/B Water Service, Inc.

Rick Obermeier, Director of Field Services, explained the details of this Resolution. Approval is requested to approve a Sole Source Operating Contract for the purchase of Sensus Meters, to L/B Water Service, Inc., for a not to exceed amount of \$1,430,450.

Chairperson Leger entertained a motion to approve. Mr. Turner so moved, and Ms. Gross seconded the motion. Chairperson Leger motioned for discussion.

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

No. 41 of 2018 Approving a Change Order to an Operating Contract for PWSA Project No. PWSA32 for the Pickup and Removal of Clean Fill to Vigliotti Landscape & Construction

Rick Obermeier, Director of Field Services, explained the details of this Resolution. Approval is requested to approve a change order to an Operating Contract for PWSA Project No. PWSA32 for the Pickup and

Removal of Clean Fill to Vigliotti Landscape & Construction, in the amount of \$140,000.

Chairperson Leger entertained a motion to approve. Mr. Turner so moved, and Ms. Gross seconded the motion. Chairperson Leger motioned for discussion.

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

No. 42 of 2018 Approving the Award of Option Year 1 of the Professional Services Agreement for Safety Consulting Services, PWSA Project No. PWSA77 to Compliance Management International (CMI)

Rick Obermeier, Director of Field Services, explained the details of this Resolution. Approval is requested to award Option Year 1 of the Professional Services Agreement for Safety Consulting Services, PWSA Project No. PWSA77 to CMI, for a not-to-exceed amount of \$270,990.

Chairperson Leger entertained a motion to approve. Mr. Turner so moved, and Ms. Gross seconded the motion. Chairperson Leger motioned for discussion.

Discussion held. Board unanimously approved and Resolution was adopted.

No. 43 of 2018 Approving a Change Order to an Operating Contract for the Piggyback of COSTARS Contract No. 4600014535 for Aggregate & Antiskid Material-2A Limestone, to Amerikohl Aggregates, Inc.

Rick Obermeier, Director of Field Services, explained the details of this Resolution. Approval is requested to approve a change order to an Operating Contract for the Piggyback of COSTARS Contract No. 4600014535 for Aggregate & Antiskid Material-2A Limestone, to Amerikohl Aggregates, Inc., in the amount of \$1,450,000.

Chairperson Leger entertained a motion to approve. Ms. Lanier so moved, and Ms. Gross seconded the motion. Chairperson Leger motioned for discussion.

Discussion held. Board unanimously approved and the Resolution was adopted.

No. 44 of 2018 Approving Entering into a Developers Agreement With IP NUVO Carson, LLC

George Robinson, Engineering, explained the details of this Resolution. The Board is asked to approve entering into a Developers Agreement with IP NUVO Carson, LLC, as part of their development located at S. 7th Street and E. Carson Street in the 17th Ward of the City of Pittsburgh. This will be to relocate a PWSA catch basin within the project plan, extend current PWSA sewer facilities within S. 7th Street, and to provide associated Easement Agreements for an existing PWSA 20" Combination Sewer which crosses said private property.

Chairperson Leger entertained a motion to approve. Ms. Gross so moved, and Mr. Turner seconded. Chairperson Leger motioned for discussion.

No discussion. Board unanimously approved and the Resolution was adopted.

No. 45 of 2018 Approving Entering Into Catch Basin Relocation Agreements With Baum Grove, LLP and UPMC Mercy Hospital

George Robinson, Engineering, explained the details of this Resolution. The Board is asked to approve entering into a Catch Basin Relocation Agreement with Baum Grove, L.P. as part of their development at 5848 Baum Boulevard in the 8th Ward of the City of Pittsburgh. This will be to install one new and relocate two catch basins surrounding the said address. The Board is also asked to approve entering into a Catch Basin Relocation Agreement with UPMC Mercy Hospital. This is to relocate a PWSA catch basin approximately 3 feet North from its present location on Marion Street and Boulevard of the Allies.

Chairperson Leger entertained a motion to approve. Mr. Turner so moved, Ms. Gross seconded. Chairperson Leger motioned for discussion.

Discussion held. Board unanimously approved and the Resolution was adopted.

No. 46 of 2018 Technical Corrections and Clarifying Amendments to PWSA's Lead Service Line Replacement Policy

Chairperson Leger entertained a motion to hold this resolution for one month. There needs to be verification on the start date of this policy.

Chairperson Leger entertained a motion to approve. Ms. Gross so moved, Mr. Turner seconded.

Board unanimously approved to hold Resolution for one month.

No. 47 of 2018 Ratifying Emergency Change Orders to the 2017 Urgent Water Repair Contracts (2017-OPS-102-0 and -1) and the 2016-17 Pump and Motor Service Contract (2016-OPS-115-0)

Barry King, Interim Director of Engineering, explained the details of this Resolution. Ratifying Emergency Change Orders to the following Operating Contracts between the Pittsburgh Water and Sewer Authority and the respective Construction Contractors: \$800,000.00 additional funding for the 2017 Urgent Water Repair Contract (2017-OPS-102-0) with Frank Zottola Construction Inc.; \$200,000.00 additional funding for the 2017 Urgent Water Repair Contract (2017-OPS-102-1) with Independent Enterprise Inc.; and \$500,000.00 additional funding for the 2016-17 Pump and Motor Service Contract (2016-OPS-115-0) with Total Equipment Company.

Chairperson Leger entertained a motion to approve. Ms. Gross so moved, and Ms. Lanier seconded the motion. Chairperson Leger motioned for discussion

Discussion held. Board unanimously approved and the Resolution was adopted.

OLD BUSINESS

No. 30 of 2018 Approving the Award of Option Year 1 of PWSA Project No. PWSA73 for Sample Collection and Testing to Environmental Data Services, Ltd. and 120 Water Audit, LLC

Barry King, Interim Director of Engineering, explained the details of this Resolution. Approving the Award of Option Year 1 of PWSA Project No. PWSA73 for Sample Collection and Testing to Environmental Data Services Ltd. and 120 Water Audit, LLC, for a total not-to-exceed amount of \$400,188 to be utilized by both the Lab and Engineering.

Chairperson Leger entertained a motion to approve. Ms. Gross so moved, Mr. Turner seconded. Chairperson Leger motioned for discussion.

Discussion held. Board unanimously approved and the Resolution was adopted.

**Approving the Payment of a Civil Penalty Associated with the PADEP
"Consent Assessment of Civil Penalty" Settlement Related to the
Violations of the Clean Streams Law**

Robert Weimar, Interim Executive Director, explained the details of this Resolution. The PWSA is in discussions with the DEP about the details of this Resolution and request that the Board hold it until further conversations can be finalized.

Chairperson Leger requested a motion to hold this Resolution for one month. Ms. Gross so moved, Mr. Turner seconded. Chairperson Leger motioned for discussion.

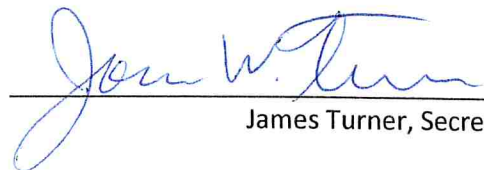
Motion to hold Resolution for one month was upheld.

ADJOURNMENT OF THE MONTHLY BOARD MEETING

Chairperson Leger entered a motion to adjourn. Ms. Gross so moved, Ms. Lanier seconded.

The motion to adjourn was unanimously approved.

The next meeting will be held on Friday, April 20, 2018 at 10:00 AM.


James Turner, Secretary