

**Minutes of the
Regular Board Meeting
Of the Pittsburgh Water and Sewer Authority
Held on August 25, 2023**

This Regular 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, August 25, 2023, at approximately 10:00 a.m.

ROLL CALL – Seven (7) Board Members were present. Dr. Murrell was absent.

Participants from PWSA: Will Pickering, Debby Gibson, Edward Barca, Barry King, Frank Sidari, Mora McLaughlin, Adam Longwell, Paul Spara, Monica Walaan, Logan Carmichael, Lee Haller, Giuseppe Sciulli, Jennifer Guo, Janice Abate, Rachel Romano.

Also present was Solicitor Mark Nowak of Clark Hill, Jamie North of DLZ, David Ombres of T-Mobile.

A total of 24 participants were in attendance.

PUBLIC COMMENT – No public comment.

EXECUTIVE SESSIONS

Executive Session was held prior to the Board Meeting, wherein legal and personnel matters were discussed. No votes were taken. Frank Sidari, Chief Environmental Compliance and Ethics Officer provided Ethics Training to the Board during this session.

APPROVAL OF THE MINUTES

Chair Sciulli entertained a motion to approve the Minutes from the Regular Board Meeting held on July 28, 2023. Ms. Leber so moved, and Ms. McCormick Barron seconded the motion.

No discussion held. The Minutes were unanimously approved.

FINANCIAL REPORT

Ed Barca, Director of Finance, presented the details of this report through July 31, 2023. Year-to-date receipts through July 31, 2023 totaled \$113.6 million or 55.0% of the total budget. PWSA's wastewater conveyance, stormwater, and DSIC charges, have experienced stronger than expected receipts throughout 2023, totaling \$45.8 million compared to the budgeted \$41.7 million. Water receipts through July 31, 2023 totaled \$65.8 million compared to the budgeted amount of \$66.9 million. This represents a difference of \$1.1 million. Total forecasted year-end receipts, inclusive of the Rate Stabilization Fund, are \$209.5 million. This represents an increase of \$2.8 million or 1.4% as compared to the budget.

Year-to-date departmental operating expenditures are \$61.4 million, which is 53.0% of the total budget.

\$39.1 million in debt service costs have been paid year-to-date, which is 51.0% of the total budget. Forecasted year-end debt service is projected to be \$75.7 million or about \$834,000 lower than budget.

PWSA's cash balance on July 31, 2023 was \$90.1 million, which is \$8.4 million higher as compared to the prior year.

I was proud to represent PWSA at the Water Finance Conference in Cleveland, Ohio earlier this month. It was clear from the discussion and questions from the audience that PWSA's lead service line replacement program is much more established as compared to peer utilities. This is yet another example of PWSA receiving national recognition for the work that is being done to remediate lead in the distribution system.

Mr. Sciulli – It's great to get positive recognition in Cleveland.

Mr. Barca –There was a regional presence at the conference, including Great Lakes Water Authority, Detroit Water and Cleveland Water. Also attending were utilities from Georgia, Texas and California.

Engineering Report

Barry King, Director of Engineering and Construction, presented the details of this report. Lead Service Lines continue to be replaced through the active Small Diameter Water Main Replacement and Lead Service Line Replacement Projects with a total of 10,329 Public and 7,234 Private-side lead service line replacements, completed between July 1, 2016, up through August 23, 2023.

Water Reliability Plan Projects:

Construction progress continues on the Rising Main No. 4 Rehabilitation and Replacement Project as well as the Highland Reservoir Supply and Rising Mains Project in Highland Park. The design and permitting efforts continue on our remaining Water Reliability Plan projects, including the Aspinwall Pump Station and Bruecken Pump Station Improvements and the Clearwell Emergency Response Projects.

The Highland Reservoir Pump Station Project is actively out for bid. An addendum was issued Wednesday, August 23rd, to extend the bid receipt date by 19 days, making the bids due for all 4 contacts at 2 PM on Tuesday, Sept. 19th remaining open for the next 25 days. We still anticipate bringing the award recommendation before the Board during the Regular October Meeting.

Procurement Activity:

The Professional Services Contract for the Construction Management and Construction Inspection for the Highland Reservoir Pump Station Project is being publicly bid at this time, where the bids are on Thursday, September 21st. Bids for the Professional Services Contract for

CM/CI for the 2023 Neighborhood Lead Service Line - Contract 2 are out and due on Tuesday, September 5th. Bids for the 2021 Large Diameter Sewer Rehabilitation Project due on September 7th. Bids for the 2023 Small Diameter Sewer Rehabilitation - Contracts 1, 2, and 3 are due respectively on Tuesday September 12th, Wednesday September 13th, and Thursday, September 14th.

Sewer Programs:

Construction has started on two critical sewer projects, including the 2020 Sewers Under Structures Contract addressing the 28th Street Site, located in the Polish Hill neighborhood between Brereton Street and the Port Authority Busway, to replace approximately 144-feet of 18-inch pipe and the lining of approximately 145-feet of 18-inch pipe; as well as the 2023 Sewer Reconstruction Project, addressing the sewer relay of 1,300 lineal feet, which includes 1,100 lineal feet of new 30" reinforced concrete pipe on Rowan Street.

Speaking Opportunities:

Tony Igwe will conduct a continuing education session titled "An Approach to Comprehensive Stormwater Management for PWSA" on September 14th at 12 PM, a public education event that is offered by ESWP.

Several PWSA staff members from Engineering, Construction, and Operations will be attending the American Water Works Association's Water Infrastructure Conference & Exposition held between September 10th and 13th in Philadelphia. PWSA's Project Teams will be conducting 4 separate presentations including:

Darby Neidig presenting on the "Lead Water Service Line Replacement Construction Pitfalls and Lessons Learned", and Dan Cleary presenting the "Encounters Along PWSA's Pipeline renewal Journey: Steel, Concrete, Pandas, Rhinos, and Laminates", speaking about our Rising Main 3 and 4 rehabilitations.

On Wednesday, September 13th, Dan Cleary, and our consultant, Pure Technologies will present on "Why Experience Matters: The Journey of Assessing Century Old Pipeline Assets", and Operations Jeffrey Turko, Sarah Bolenbaugh, and myself will be presenting a session on "Maintain Service while Rehabilitating a 125 Million Gallon Treated Water Reservoir".

And on September 12th in Harrisburg, I will be representing PWSA at the Pennsylvania American Council of Engineering Companies Fall Infrastructure Conference, participating in a moderated Resiliency Panel, along with PennDOT and PA American

REPORT OF THE CHIEF ENVIRONMENTAL COMPLIANCE AND ETHICS OFFICER/ REPORT OF THE CHIEF EXECUTIVE OFFICER

Frank Sidari, Chief Environmental Compliance and Ethics Officer presented the details of this report. Under the terms of our 2021 Agreement with the Department of Justice, we have been expanding our environmental compliance and ethics programs to all PWSA facilities by

September 14, 2023. Our Environmental Compliance and Ethics Program works to prevent improper activities by 1. Creating a culture of environmental compliance and ethics, 2. detecting non-compliant activities at an early stage, and 3. allowing for a swift response to those identified issues. There are five key components to this program:

Mission Statement and Core Values, including the core value of Ethics and Integrity along with Stewardship, Accountability, Safety and Equity. Our renewed Mission, Vision, and Core Values were announced last year on March 29th, 2022 and apply to all PWSA Facilities and staff. Organizational Structure, including the development of the Environmental Compliance Department and creation of the Chief Environmental Compliance and Ethics Officer position. This position has formally been in place since November 8th, 2021 and I have been stationed at the Water Treatment Plant since March 29th, 2021, providing both reporting to the CEO and Board and availability to all PWSA staff for environmental and compliance and ethics matters.

Codes and Policies, including the development and maintenance of Ethics, Conduct, Non-Retaliation, and Whistleblower codes and policies. These policies are annually reviewed by me and Human Resources and have been made available to all staff through annual policy acknowledgments and placement on our intranet and hard copies in breakrooms of all staffed facilities.

Training, which involved the creation of training policies, implementation of a cloud-based Learning Management System, and conducting environmental compliance and ethics training for the Board, staff, and contractors. These systems and trainings are in place and actively used. An example of this is the recently completed annual environmental compliance and ethics training, where we had 100% staff participation. Using the Learning Management System, we incorporated survey questions as part of this training to gauge the effectiveness of our programs and identify where improvements may be needed. The results of these questions found the vast majority, greater than 90%, were engaged and knowledgeable of the environmental compliance and ethics program and their responsibilities.

The final component of our Environmental Compliance and Ethics Program is our Environmental Compliance Manual. The Environmental Compliance Manual was initially issued on April 9th, 2021 and was specifically for PWSA's water production facilities. We are currently in the final stages of updating this document to include all PWSA facilities and capture the regulatory obligations for water, wastewater, stormwater, chemical and fuel storage, waste management, and air quality. I would like to acknowledge the efforts made by our managers and directors at our Brilliant Yard, Mission Yard, Howard Street and Warehouse, who have been continuously working with our Environmental Compliance Team to expand and update programs at these facilities.

We are on schedule to finalize this document by September 14th and complete the last step in program expansion to all our facilities. Of course these are living documents and programs and we will be continuing to provide training to staff, perform internal inspections, conduct third

party assessments, and update the program as needed to mesh with our operations while managing resources and meeting our environmental compliance obligations.

Report of the Chief Executive Officer

Will Pickering, Chief Executive Officer, presented the details of this report. It's been a positive journey to develop our compliance program. I've been happy to join Frank to getting to most of those field site visits and the completion of a compliance manual. I want to also acknowledge our Human Resources team and in particular, Marie McIntyre, who has worked with Frank and his team in developing the training materials for the Learning Management Program which has been in place for a little over a year now. Frank and I attended the National American Water Works Association event earlier in the year. I'm pleased to see staff getting exposure at the state and national levels on the work that they are doing. Within Customer Service, we are using an innovative product called Y Meadows to screen our emails that are sent to the info@pgh2o.com. Last year we received 25,000 emails and prior to us utilizing this tool, it required Customer Service Staff to read them, dispatch them if needed, perhaps reply with an attachment or form. Through using this machine learning technology, about 50% of those emails can receive an immediate response, which is then freeing up our Customer Service staff to perform higher value tasks, certainly more that they can do. This is not a staff reduction effort, but a way to innovate processes that we are currently performing. I want to give a kudos to Julie Mechling and her team for identifying this technology, implementing it with MIS. Last month, we mentioned that we were invited to host an event for Governor Shapiro. The Governor, as well as other regional, state, and federal representatives met at one of our lead service line replacement sites in the Esplen neighborhood to announce a workforce development initiative. I was given the opportunity to speak and used it to tell our story, not just with lead service line replacements, but also our overall economic development presence and how that plays a role in workforce development and job creation, and economic activity. We spent approximately \$127 million on construction projects last year. The analysis showed that created about 1100 new jobs. The message that we want to get out there is that PWSA not only protects public health, the environment and our customers, but also makes a difference in our community through workforce development and job creation. Afterwards, we were invited through a partner for work in the Mayor's Office to join a discussion with President Biden's Senior Advisor and Infrastructure Coordinator, Mitch Landrieu, the former Mayor of New Orleans. The discussion was again about how we can use infrastructure dollars to benefit our communities and especially with a focus on workforce development. The word is getting out there that we are a player in these fields.

RESOLUTIONS

No. 48 of 2023 Approving a change order of an Operating Contract for construction of the 2023 Surface Restoration Project to Mele & Mele & Sons, Inc. Operating Budget \$3,000,000.

The basis for this change order is to address the restoration needed on the remaining number of sites that will be generated during the 2023 construction season through the remainder of the contract. This change order would result in the completion of over 200 sites during that time frame.

Chair Sciulli entertained a motion to approve for discussion. Ms. Strassburger so moved, and Mr. Martin seconded the motion.

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

No. 49 of 2023 Approving entering into a Cost Share Agreement with DOMI for the federally funded Sylvan Avenue Project. Capital Budget \$140,000.

The scope of work under this agreement includes adjusting eighteen valve boxes, adjusting nine manhole frames and grates, and adjusting one manhole to grade.

Chair Sciulli entertained a motion to approve for discussion. Ms. Leber so moved, and Ms. McCormick Barron seconded the motion.

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

ADJOURNMENT OF THE MONTHLY BOARD MEETING

Chair Sciulli entertained a motion to adjourn the Board Meeting. Ms. Strassburger so moved, and Ms. Leber seconded the motion.

The next scheduled Regular Board Meeting will take place on Friday, September 22, 2023.

Michael Domach

Michael Domach, Assistant Secretary