

MINUTES
REGULAR MEETING OF THE BOARD OF THE
ALLEGHENY COUNTY SANITARY AUTHORITY
THURSDAY, APRIL 25, 2019

The meeting was called to order at 4:32 p.m. in the office of the Authority, 3300 Preble Avenue, Pittsburgh, Pennsylvania. Those present were Board Members Ms. Sylvia Wilson, Ms. Brenda Smith, Dr. Shannah Tharp-Gilliam, Messrs. Harry Readshaw, Jack Shea, Corey O'Connor, and John Weinstein; Also in attendance were Messrs. Chip Babst (Babst Calland), Mark Wolinsky (3RWW), Ed Kluitenberg and Tom McNulty (CDM Smith), Mike Ryder (Hatch), Mark McCall (TJS Inc.), Ms. Williams, Ms. Oliver, Ms. Clark, Ms. Kennedy, Messrs. Tamilia, Inks, and Vallarian, Ms. Sanchioli, Ms. Crowe, Ms. Cortazzo, Ms. Marunczak, Ms. DeMasi, Ms. Thomas, Messrs. Tallon, and Lockard (Authority staff).

Everyone stood for the Pledge of Allegiance.

One visitor requested to speak during the public comment period. Ms. Caitlin Schroering lives in Four Mile Run in Greenfield and walks her dogs frequently through the Panther Hollow part of Schenley Park. She wants green infrastructure in her neighborhood and in our city because she believes it is not only the most environmental but also socially and fiscally the way to go. It is much better than simply investing in large grey infrastructure projects. Large projects are planned for the region and we only have a few years to design and build. Let's take advantage of these opportunities, and monitor these projects in time to take advantage of "so-called" adaptive management. Ms. Schroering also stated that there must be a way for ALCOSAN to invest in larger green infrastructure projects. These projects help capture storm water, reduce basement backups; and are really important. While it is a start, the current GROW Program is insufficient. It is capped at \$2 million, which is not enough of the large-scale investment needed to make this possible. Additionally, the reimbursement process creates hindrances to the sufficiency of the program. Ms. Schroering hopes to see ALCOSAN work toward investing more in green infrastructure in the future.

The Chair welcomed Dr. Shannah Tharp-Gilliam to the ALCOSAN Board. Dr. Gilliam fills the seat vacated by Mr. Greg Jones who resigned from the Board in October 2018.

Mr. Bill Inks, Director of Finance & Administration, reported on the 2019 Operating Costs and Revenues. This is the first financial report for the year; monthly reports will be presented for the remainder of the year. Mr. Inks was pleased to announce that 24.9% of the revenues has been collected and budgeted expenditures are approximately 22%. While it may appear that the Authority is over budget by \$3,833,900 for the Customer Service and Billing line item, this is the upfront payment of the lump sum reimbursements to the municipalities for the entire year. As the year progresses, this amount will begin to decrease and come back into alignment. This is a usual occurrence seen during this time of year. The Board had no questions or comments.

Ms. Jeanne Clark provided an update on PA Lobbying initiatives. Highlights include the following:

- The Governmental Affairs team conducted briefings and tours of ALCOSAN with State Legislators and provided updates on the Clean Water Plan
- Attendance at legislative hearings of interest to the Authority
- Collaboration with the Governor's Office on Restore Pennsylvania, an initiative to build infrastructure in the State. Funding for this program would come from a severance tax, primarily on unconventional gas drilling, and would be bonded similarly to the Growing Greener Program. Restore Pennsylvania does not specifically include CSO infrastructure, but it does include specific help for green infrastructure and stormwater and flooding controls, which is likely to be of great help to our municipal customers.
- Assisted Rep. Austin Davis with legislation to create a state fund for low-income water and sewer customers, similar to funds that already exist for low-income electricity and natural gas customers.
- Worked with Rep. Mike Sturla, chair of the Democratic Policy Committee, on creating legislation for a new funding stream for clean water by charging a minimal fee on corporations that use the waters of the Commonwealth for their operations.

In conclusion, Ms. Clark informed the Board that two senators sent out a letter to their colleagues on proposed legislation to require Municipal Water and Sewer Authorities to be placed under PUC control if they provide services beyond their home county. If passed, this legislation would impose additional costs and intervention that could disrupt and damage ALCOSAN's operations. Senator Jay Costa, Democratic Leader of the Senate, Senators Wayne Fontana, Lindsey Williams and Jim Brewster agreed to oppose the legislation and communicate their opposition to other legislators.

An Executive Session was held this afternoon at approximately 3:30 p.m. to discuss pending legal issues (*Note: votes are never taken during the Executive Session*).

The newest member of the Board, Dr. Shannah Tharp-Gilliam did not render a vote and abstained from voting on all actions of the Board during the meeting.

Upon motion of Mr. Readshaw, seconded by Mr. O'Connor, the Board approved the minutes of the Regular Board Meeting of March 28, 2019.

Upon motion of Ms. Smith, seconded by Mr. O'Connor, the Board authorized payment of invoices in excess of \$20,100.00 processed during the period of March 16, 2019 through April 15, 2019 and reviewed the summary report of expenses in excess of \$10,900.00 processed during the same period, a copy of which will be made part of these minutes.

Upon motion of Mr. Weinstein, seconded by Mr. O'Connor, the Board authorized the preparation of specifications and advertisement for bids for the following contracts:

1. Contract No. 1713, "Furnish and Deliver FRP Storage Tanks for Sodium Hypochlorite."
2. Contract No. 1714, "Roof Modifications for Screenings Garage and Power Generation Building."

The items denoted with an asterisk () were reviewed by the Professional Services Committee at a publicly advertised meeting on April 11, 2019. The Committee unanimously approved and recommended that these items be submitted to the Board.*

*Upon motion of Mr. Weinstein, seconded by Mr. O'Connor, the Board awarded On-Call Sewer Improvements, Design, and Construction Management Services for Flap Gate Replacement at Various Locations along the Interceptor System to ms Consultants, Inc., for an amount to be negotiated by the Executive Director. The current project involves repair and maintenance of six flap gate locations (four on the Allegheny and two on the Mon). This contract is for a continuation of services which the Board is very familiar with and has authorized payment on several occasions, as there are numerous gates in the system that require repair.

*Upon motion of Mr. Readshaw, seconded by Mr. O'Connor, the Board awarded On-Call Construction Management/Resident Inspector Services (Interceptor) CM Services for the Safety Upgrades and Repairs to Diversion Structures Project (Contract 1704) to DLZ, for an amount not to exceed \$100,180.00. The Board awarded the contract for project implementation last month; this contract award provides for construction management services.

*Upon motion of Mr. Readshaw, seconded by Mr. O'Connor, the Board approved modification of Service Authorization 313 for Buchar Horn, Inc., under the agreement for Engineering Consultant Services for an amount not to exceed \$17,360.00, to provide additional services during the construction of the Safety Upgrades and Repairs to Diversion Structures Project.

*Upon motion of Ms. Smith, seconded by Mr. Readshaw, the Board approved modification of Service Authorization 308 for GHD, under the agreement for Engineering Consultant Services for an amount not to exceed \$17,422.00, to provide additional engineering services related to the Energy Recovery Facility and Power Generation Assessment. GHD issued a draft Energy Recovery Facility Comprehensive Assessment in December 2018. One of the recommendations is to conduct a three consecutive-day site inspection and process optimization evaluation and report findings. The primary objective of this work will be to evaluate permit-compliant operational changes and potentially reduce the Authority's use of auxiliary fuel. It is hoped findings from this report will yield an excellent return on investment for a nominal fee.

*Upon motion of Mr. Weinstein, seconded by Mr. O'Connor, the Board approved modification of Service Authorization 301 for DLZ, under the agreement for Engineering Consultant Services for an amount not to exceed \$56,641.81 to provide additional Construction Management Services related to the Annual Interceptor Cleaning Contract and Emergency Repair of the Monongahela Subaqueous Interceptor. Completion of this project is anticipated to be the end of June 2019.

Upon motion of Mr. Weinstein, seconded by Mr. O'Connor, the Board accepted proposals as recommended by the Authority's Risk Manager to provide insurance coverage to ALCOSAN for the period May 16, 2019 through May 16, 2020 at a total premium of \$1,532,684.00. Mr. Mark McCall (TJS Inc.) provided a brief review. This was an outstanding year for the Authority. It is the third and final year for the insurance program. The Authority will be back in the market next year for a major renewal. Based on the terms, conditions, and pricing established two years ago, this year's renewal is consistent with those guidelines. There was a reduction based on expectations; specifically, with workman's compensation. Mr. McCall commended Ms. Lisa Cortazzo (Manager of the Authority's Safety Department) on her hard work on the return to work program and overall workman's compensation claims. Ms. Williams acknowledged Ms. Cortazzo for the yeoman's job she has done with the workman's compensation program. Ms. Williams also thanked the Directors and Managers for a job well done.

The newest member of the Board, Dr. Gilliam thanked everyone and commented it is an honor and a privilege to serve on the ALCOSAN Board. She is very much aware of the decisions entrusted to the Board. These decisions are vitally important to our region and have to be not only friendly to our environment, but sustainable for generations to come. Dr. Gilliam does not take these responsibilities lightly and is very excited to "grab hold of an oar and row along with the truly dedicated people who work at ALCOSAN and the other Board members." Ms. Wilson, Chair of the ALCOSAN Board, remarked she was compelled to bring to everyone's attention this is the first time in the history of ALCOSAN there have been three women on the Board.

The next Board of Directors Meeting will be held on May 16, 2019.

There being no further business, the meeting adjourned at approximately 4:56 p.m.