

**EAWA WORK SESSION MEETING MINUTES**  
**January 4, 2017 - 6:30 PM**

**1. CALL TO ORDER:**

The EAWA Board meeting was held in the Meeting Room at 211 W. Hummelstown St. and was called to order at 6:30 P.M. by Dr. C. Dale Treese. Members present: Keith Murphy, Rich Sheidy, Jeff McCloud, Rick Erb, and Chuck Brewer. Also present were George Alspach, Solicitor; Gene Haldeman, Operations Manager; Peter Lusardi, Engineer; and Del Becker, Authority Manager. Members of the Public: none present.

**2. PUBLIC COMMENT:** None.

**3. REORGANIZATION:**

**Nomination(s) & Elections:**

Chair: Dr. C. Dale Treese

**Action:** "That the Board adopts Resolution 2017-1, approving Dr. C. Dale Treese as Chair."

**Motion:** K. Murphy      **Second:** J. McCloud      **Approved**

Vice Chair: Keith Murphy;  
Secretary: Jeff McCloud;  
Treasurer: Rich Sheidy;  
Assistant Secretary: Chuck Brewer;  
Assistant Treasurer: Rick Erb;  
Community Public Relations: Vacant;

**Action:** "That the Board adopts Resolution 2017-1, approving Board Officers as noted above."

**Motion:** K. Murphy      **Second:** J. McCloud      **Approved**

**Action:** "That the Board adopts Resolution 2017-1, leaving the Community Public Relations position as VACANT."

**Motion:** J. McCloud      **Second:** R. Erb      **Approved**

Appointment of Professional Service providers:

Consulting Engineer: P. Lusardi, PE, GHD;  
Solicitor: George Alspach, Esq.;  
Certified Public Accountant: Trout, Ebersole & Groff;  
Actuary for Pension: T. Zimmerman, Conrad Siegel Actuaries;  
Financial Institution: Fulton Bank;  
Authority Manager: Del Becker;

**Action:** “That the Board adopts Resolution 2017-1, approving the appointment of Professional Service providers for 2017 as noted above.”

**Motion:** K. Murphy      **Second:** R. Erb      **Approved**

#### 4. REPORTS:

**Pension Investments** – Herb Nix from Fulton Financial / Raymond James presented information regarding investments within the Act 205 Pension account. Current investments are 48% stock/52% fixed income. The YTD performance was 10.65%. Nix submitted options available to the Board in its role as the Trustee of the fund for investment of the funds. Nix indicated that the firm acts as the fiduciary for the investments but not regarding the obligations as the Trustee. Two distributions from the fund were made in FY16. Questions from the Board regarding the current investment environment were addressed by Nix. Nix indicated that changes in investment strategy are easily made if desired by the Trustee. Nix indicated the account uses ETFs primarily to keep fund management costs lower and indicated that the management fee will remain as 1.25%. Treese noted that the current political climate may be volatile in the near term. Brewer questioned the funding level of the account. Becker indicated that the actuary would be providing the estimate for the FY17 contribution in March. Treese indicated to Nix that the Board would like to continue receiving recommendations from Nix. The Board deferred making changes to the investment portfolio until material were reviewed.

**Chemical Bid** - Becker indicated for informational purposes the public notification is intended for 1/16/17, deadline for receipt is 1/30/17, and with plan to award on 2/1/17.

**Billing and Revenue** – Fourth quarter billing and revenue results were presented to the Board. The FY16 Annual Report would be provided at a later date.

**CRIM Investment Strategy** – Becker discussed available funds within the CRIM Account for investment. A memo was presented regarding investment options through Act 10 of 2016. Becker indicated the Commercial Paper investment option presented an alternative for raising return on the funds with a minimal increase in risk and the short investment term would allow for capture of future increases in the Federal Reserve rate increases. The current amount within the CRIM account available for reinvestment is approximately 25% of the fund total. 75% of the fund would remain in CD investments. There was a consensus of the Board to pursue the Commercial Paper option. Treese requested a breakdown of the current CD investments.

**Review of Q1 – Q2 Projects** – Becker highlighted project for the next couple of quarters including billing system tools; billing rate tier restructuring; implementation of Helpdesk software for Operators; and the SRBC application for Rheems. Becker indicated he had been notified by SRBC that the application for renewal of wells 6 and 7 would be viewed as a well field as opposed to

individual well and as such the application and review fees would be reduced. Becker indicated that the only downside to the application as a well field would be that one of the well's would be re-permitted earlier than intended and as such a few years of previous approval would be forfeited. Brewer asked about the status of the succession planning. Becker indicated he would obtain an update from our consultant.

**Operations Manager's Report:** Haldeman mentioned the following items: 1) Replaced submersible pump at Well No. 8; Well No. 9 Pump to be replaced next week. 2) new meter at M&M Mars is functioning properly. 3) Three main breaks were repaired. Ebersole Excavating reset the stormwater catch basin on North Hanover Street due to the complexity of the installation 4) met with Steve Fisher to discuss SRBC permit renewal for Well No. 5. Haldeman indicated that the most recent breaks were on pipes 30 to 40 years old. Problems often occur in the 35 to 40 year time frame based on Authority experience. Most of the recent breaks have been result of differential pipe settlement. Haldeman indicated that discolored water incidents are related to the source water used and that the surface water was more likely to be discolored at times and that it is also highly dependent on where the break happens.

**Engineer's Report:** Lusardi indicated there was no report.

**5. UNFINISHED BUSINESS:** None

**6. NEW BUSINESS:** None

**7. BOARD MEMBER'S COMMENTS:** Brewer offered his appreciation to the operators for dealing with difficult weather and circumstances during the most recent main breaks. Treese inquired to the status of the Burger King connection; Haldeman indicated with was completed but they had not reopened for business. Becker indicated that the Red Rose Motel had applied for a connection.

**8. EXECUTIVE SESSION:** None

**9. ADJOURN: 7:27 PM**

**Action:** "That the Board adjourns the work session meeting."

**Motion:** K. Murphy

**Second:** R. Erb

**Approved**

Respectfully submitted,

D. Becker, Authority Manager

***Approved at 02/13/17 Meeting***