

EAWA SPECIAL BOARD MEETING MINUTES
September 22, 2018 - 8:00 AM

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 8:01 AM by Dr. C. Dale Treese. Members present: Chuck Brewer, Rick Erb, Jeff McCloud, Rich Sheidy and Keith Murphy. Absent: David Lewis. Also present was Del Becker, Authority Manager. Other Attendees: None.

2. PUBLIC COMMENT: None.

3. ITEMS OF DISCUSSION:

- a. **General:** Treese noted that legal notice appeared in 9/13/18 Elizabethtown Advocate and that the purpose of the meeting was to discuss the budget priorities and issues for 2019.

a. **Status of Operations Budget and Cash Flow – Refer to:**

- i. The Authority's Monthly Cash Flow and 2019 Draft Operations Budget through September 19; 2018, were reviewed. In general, it was noted by the Becker with regard to the budget that the Authority's cash flow was positive. Other items to be mindful of for 2019:
 - Increased inflation anticipated.
 - Projected Authority expenses flat for 2019 but Board needs to be mindful of increased debt payments in future.
 - Increased Fees for PADEP (estimated at \$23,000).
 - Part-time staff to assist with grounds maintenance and fire hydrant maintenance.
- ii. Industry compensation and employment trends. Becker presented the Board with a survey that was recently completed by Manheim Area Water and Sewer Authority.

b. **Capital Budget and Facilities Update – Status and potential future projects**

- i. Quarry property to H&K – funds received to date: \$123,580. Sales agreement - \$786,000. Previously extended twice. Extension expires 12/31/2018. H&K has initially made indication that willing to extend at \$25,000 / year. The Board indicated after discussion that an extension at \$25,000 for the first year and \$35,000 for the second year would be considered. Becker indicated he would further discuss the development with Cornwall Borough. The Board indicated that any funds received will be targeted at debt reduction.
- ii. Mount Gretna Road Property – 0.31 acres, zoned residential. It came to the Authority's attention that the property was owned. The Board asked Becker to discuss with the municipalities and ERSA to see if they had any interest in the property. Becker would explore potential auction of the property with the Authority solicitor.
- iii. Pipe Replacement Projects: there was consensus amongst the Board that a more aggressive approach to pipe replacement and repair was needed. Becker is to discuss and prioritize replacements for inclusion in the Capital

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Budget. Areas of priority include Spruce Locust Streets, 4-inch cast iron pipe and ACP in Rheems

- iv. Distribution and Treatment Facilities capital improvements were discussed. Priorities identified:
- Meter replacement – will continue replacement of aged customer meters;
 - WTP Plant Improvements: the long-term plan report prepared by GHD for the Old Treatment Plant was discussed. Two options were explored in the report. Additional potential items at the New Treatment Plant and the reservoir were also discussed.
 - Rheems WTP garage was discussed. The Board asked that Bock discuss the need with the Board.
 - Well No. 3 Chlorine Contact Tank. GHD Report was discussed and the need to inspect the tanks at the other facilities and include those costs in the capital budget.
 - Mt Joy Township treatment plant pressure zone booster station: GHD developing a construction cost estimate.
 - Emergency power at remote sites: Different options for generators, both fixed and mobile, were discussed. Following the discussion, there was a consensus of the Board to initiate planning and engineering for a new generator at the Mt Joy Treatment Plant and a mobile generator to be used a most of the other facilities, including Rheems.

c. Billing / Rates

- i. 2019 Potential Rate Increase. The previous rate increase was modeled as a two-year increase, the first occurring in 2018 and the second in 2019. The Chairman stressed the importance of not falling behind as had occurred previously. There was consensus that the budget include the previously planned increase for 2019.
- ii. E-payment fees
- Currently the customers pay convenience fee. Following discussion, there was consensus of the Board to waive the convenience fees but to track the charges to determine if excessive.

d. Healthcare

- i. Benecon estimated increase for EAWA: 5%. Final rates obtained October 4;
- ii. Good plan year in 2018 thus far;
- iii. Benecon has indicated this year's claims are tracking well.
- iv. Two options for cost-sharing by employees were presented. The consensus of the Board was to keep the current contribution model where the employee contributes a fixed amount from each pay cycle.

e. Act 205 Pension;

- i. Current balance: \$362,220.75
- ii. YTD Return: 1.66%

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- iii. Transition to Employee Directed Investment – had been considered by the Board but Employees prefer to keep plan management of investments as-is
- iv. The Board requested that the Authority Manager discuss alternative low-risk options with the Fund Manager to potentially increase returns.

f. CRIM Account Update;

- i. Current Balances were reviewed. Revenue is tracking to transfer all funds in excess of Operational Reserve of \$750,000 be transferred from Operating Fund to CRIM at year's end. Projected to be approximately \$1,000,000.

g. Short-term Priorities & Goals

The Authority Manager discussed short term goals for 2019. The priorities are:

- Continued community outreach through new website;
- Spruce Street Line Replacement;
- Helpdesk Implementation with Operations; Deployment of GIS to field;
- Update to standard practices and all manuals.
- Board stressed need to continue Succession Planning for junior personnel.

4. UNFINISHED BUSINESS: None

5. NEW BUSINESS: None

6. EXECUTIVE SESSION: None

7. BOARD MEMBER'S REMARKS: Murphy indicated that spouses should be invited to this year's Christmas dinner. Becker will check with ERSA

8. ADJOURN: 12:01 PM

Respectfully submitted,

D. Becker, PE, Authority Manager

Approved at 10 / 08 / 2018 Meeting