

**EAWA SPECIAL BOARD MEETING MINUTES**  
**September 23, 2017 - 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 8:05 AM by Dr. C. Dale Treese. Members present: Chuck Brewer, Rick Erb, Jeff McCloud, Rich Sheidy and Keith Murphy. Also present were Del Becker, Authority Manager, Jason Bock, Operations Manager and Steve Bixler, Operations Supervisor. Other Attendees: None.

**2. PUBLIC COMMENT:** None.

**3. EXECUTIVE SESSION:** Board adjourned at 8:07 AM to discuss a Personnel issue. Board reconvened at 8:30 AM.

**4. ITEMS OF DISCUSSION:**

- a. General: Treese noted that legal notice appeared in 9/21/17 Elizabethtown Advocate. Treese indicated that priority items for 2018 would be discussed as provided on the Agenda by Becker in order to provide guidance to staff for 2018.
- b. Status of Budget and Cash Flow: Becker provided an update of the Budget for the year and brief discussion of operations budget for 2018. He indicated that projected revenue and expenditures were relatively constant but the gap between revenue and expenditure was closing due to increased costs and flat revenue. In general for 2017, the budget is tracking as anticipated. Additionally, as pointed out by Becker, the impact of increased debt service will occur in 2020.
- c. Capital Budget: The following items were discussed:
  - SCADA Upgrade to included enhanced security at the remote facilities. Becker indicated that currently the remote facilities are not monitored by the SCADA system regarding access. There was a general consensus amongst the Board that they should be and that the Capital Budget should be updated to reflect.
  - AC Pipe in Rheems: As indicated by Becker, there is about 5,000 feet of AC pipe in place in Rheems. In general, the pipe is in good condition but is difficult for Staff to work with when breaks occur. This part of the distribution system also experiences some of the highest operational pressures that result in catastrophic breaks. The Board indicated that replacement of this pipe in the Capital Budget would be prudent. Staff will develop an estimate.
  - Vehicles: There is one older van remaining in the vehicle inventory. Staff would like to replace with a specially equipped panel van that would be "ready to go" and outfitted with the necessary equipment to quickly address pipe breaks. There was general consensus amongst the Board that the Capital Budget should be updated to reflect the current need and cost.
  - Mixers in the remaining tanks: currently, only one of storage tanks has a mixer. Inclusion of mixers in the remaining tanks would improve general water quality. The Budget will be updated to reflect installation of mixers in the three remaining tanks.

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- Backflow prevention: Staff should look at existing policies and potential implementation of new policies.
- d. Billing and Rates: As discussed earlier in the meeting, the gap between revenue and expenditures is closing impacting the availability of funds for future capital improvements and also address full cost recovery for all of the Authority's customers. Becker indicated that in order to reset the gap, a rate increase should be considered. Becker prepared a memo with a scenario for a potential rate increase over a three-year period and separate increases to address full cost recovery to address the disparity that exists between residential and high use commercial accounts. After discussion, the Board indicated that it would prefer to see a higher rate increase initially over a two-year period. Becker noted that the base minimum rate had not been increased since 2012 and the last rate increase went into effect in December 2015. The Board also suggested that Becker discuss the rate increase with our Auditor. Becker also suggested that the Authority consider billing for fire service connections. Currently, these are not metered nor billed. The Board indicated that it would consider but that staff should prepare a more detailed analysis for future consideration.
- e. Healthcare: The following items were discussed:
- High Deductible/HSA Plan implemented in 2017; some growing pains experienced but transition has been manageable;
  - Benecon estimated increase for EAWA: 2 to 3%, among the lowest in the consortium;
  - Very good plan year in 2016 – Distribution of \$88,712.00 YTD;
  - Benecon has indicated this year's claims are tracking well;
  - Short and Long-Term Disability – currently not offered; marginal cost; 50/50 cost share with employee; rate is based on salary. The Board indicated it would consider adding should all employees agree to participate.
- f. Act 205 Pension: The following items were discussed:
- Board assumed Trusteeship in 2017;
  - Current balance of \$508,376.32. Noted that recent personnel changes will impact the balance.
  - YTD Return of 5.97%
  - Current investment objective: Income, with medium risk tolerance and a 5 to 10-year timeline.
  - No changes to the plan were suggested.
- g. CRIM Account Update: The following items were discussed:
- Current Balance: \$3,010,208.38
  - At year end, it is anticipated that all funds in excess of Operational Reserve of \$1,000,000 will be transferred from Operating Fund to CRIM for future capital improvements.
- h. 2018 – 2020 Short-term Priorities & Goals; Becker discussed the anticipated Short-term Priorities & Goals. He noted that there would be an emphasis on the following:
- Customer Service – continued community outreach;

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- Spruce Street Line Replacement;
- Helpdesk Implementation with Operations with deployment of GIS to field through handheld smartphones and tablets. The Board indicated that it was important to start using the tool.
- Succession planning – it is important to update based on current personnel changes.
- Personnel Policy Manual – a more comprehensive review of the manual.
- Website – improvements and changes to improve customer service.

i. Other items of discussion:

- Board compensation – Murphy suggested that the Board consider revising the Board compensation for 2018 to allow for increased compensation for those Board members that perform duties outside of meeting hours and have increase duties, with separate compensation classifications for the Chairman, Secretary and Treasurer, and other Members of the Board. Updates will be provided in the budget.
- Brewer suggested that the Authority should be ready to address multiple events simultaneously, such as concurrent line breaks or response to significant weather events. Becker indicated he would work with Bock to update the Emergency Response Plan to address such scenarios.
- Other potential capital improvements were discussed. Bock suggested that service would be improved by replacing all of the 4” mains with those properly sized for current use and age. The 4” pipe is some of the oldest and restricts fire flow. This will be addressed in future updates to the Capital Budget.

**5. UNFINISHED BUSINESS:**

**Action:** “That the Board approves revising the salary for Jason Bock, Operations Manager, to an annual salary of \$68,640.00 effective from September 11, 2017.”

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

**ADJOURN: 11:10 AM**

**Action:** “That the Board adjourns this meeting.”

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

Respectfully submitted,

D. Becker, PE, Authority Manager

**Approved at 10/9/17 Meeting**