

**EAWA Special Meeting Agenda
September 21, 2019 - 8:15 AM**

1. CALL TO ORDER:

2. PUBLIC COMMENT:

3. REPORTS:

a. **Manager's Report** – Legal notice for mtg. appeared in 9/13 Elizabethtown Advocate.

i. **Meetings and Dates**

a. Current meeting schedule is Work Session on 1st Wednesday and Regular Meeting on 2nd Monday.

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

a. Monthly Cash Flow Summary (attached) and 2020 Draft Operations Budget with updated Revenue and Expenditures through September 19, 2019;

- Less Inflationary Pressure – consumer price increases have averaged below 2%.
- Preliminary operational expenses flat for 2020.
- Debt service increases from \$721,116.94 to \$856,268.04. Stays at this level until 2031 when loan paid off in 2032.

b. Unanticipated Expenses;

- Rheems WTP – connection to ERSA (capital costs and operational from increased sewer charges).
- Pump failures – failures at both Old Treatment Plant and Wells #5 and #9.

c. Healthcare:

- Benecon estimated increase for EAWA: 1 to 3%. Final rates obtained October 4.

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

a. Pipe Replacement Projects

- 2,730 Feet replaced in 2019.
- 4-inch cast iron pipe dating to 1896.
- ACP in Rheems.
- Bid additional project for 2020 in Jan/Feb for summer construction.

b. Distribution and Treatment Facilities:

- Well No. 3 Chlorine Contact Tank - underway.
- Mt Joy Township pressure zone booster station and Generator - underway
- WTP Plant Improvements project: additional intake pipe, other plant improvements
- Trailer mounted generator: Likely required by DEP beyond 2022 for all sources. System will be more resilient with installation of generator at Mount Joy Township.

c. Vehicles and Equipment:

- 2005 GMC Pickup – barely passed inspection last year due to condition of body. Staff proposes replacing with full size van (\$35,000).

d. Water System Service Extensions:

- Preliminary engineering & cost for four areas:

<u>Area</u>	<u>Users Added</u>	<u>Cost</u>	<u>Payoff Period (years)</u>
Victoria's Pond	50	\$590,000	22
Seeger Stern	35	\$300,000	17
Shaeffer Schwanger	21	\$412,000	30+
Hillcrest	78	\$910,000	21

e. Current and Future Developments:

<u>Development</u>	<u>EDUs Added</u>
Conoy Crossing Phase 3	25
Conoy Crossing Phases 4 & 5	40
Featherston Phase 4	45
StoneyBrook Phase 1C	38
StoneyBrook Phase 2	54
Westbrooke Phase IV (all phases)	221
Village Green Apartments	64
Radio Road	36
Hickory Run	29
Total	552

iv. **Billing / Rates**

- 2020 Potential Rate Adjustment – approximately 3% should be considered due to increased debt service;
- E-payment fees Update
 - Fees have been less than anticipated, approximately \$5,000 so far this year, 2.1% of revenue received
 - Fewer payments made at the window, increased online payment.
 - Number of customers using increasing each quarter.

v. **Act 205 Pension;**

- Balance as of 8/30/2019: \$277,281.24
- YTD Return: 9.83%
- Current investment objective: Income, with medium risk tolerance and a 5 to 10 year timeline.
- Conrad Siegel, our actuary, also manages funds and may have interest in managing ours as well.

vi. **Capital Reserve Account Update**

- Current Balance: refer to summary of Fulton accounts (attached);
- Propose transfer of all funds in excess of Operational Reserve of \$600,000 be transferred from Operating Fund to Capital Reserve at year's end.
- Declining interest rates will reduce funds received for FY2020.

vii. Short-term Priorities & Goals;

Focus for 2020:

- Update to standard practices and all manuals.
- Risk and Resilience Assessment and Emergency Response Plan – update in accordance with new WIFA Requirements by end 2020 (must be completed and submitted prior to end of year 2021).

4. UNFINISHED BUSINESS:

5. NEW BUSINESS:

6. BOARD MEMBER'S REMARKS:

7. EXECUTIVE SESSION:

8. ADJOURN: _____ AM