

EAWA SPECIAL BOARD MEETING MINUTES
September 21, 2019 - 8:15 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 8:015 AM by Dr. C. Dale Treese. Members present: Chuck Brewer, Rick Erb, John O'Connell, Rich Sheidy and Keith Murphy. Absent: Jeff McCloud. 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 9/19/19 Elizabethtown Advocate and that the purpose of the meeting was to discuss the budget priorities and issues for 2020.

a. **Board Meeting Dates:** Board discussed 2020 Board meeting schedule. Board consensus was to examine and stay with two meetings per month.

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

- i. The Authority's Monthly Cash Flow and 2020 Draft Operations Budget through September 15; 2019, 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 2020:
- Decreased inflationary pressures anticipated.
 - Board was provided with an update on transaction fees for e-payments by customers.
 - 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.

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

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

ii. Distribution and Treatment Facilities capital improvements were discussed.

Priorities discussed:

- Tank Inspections and Refurbishments – inspections and mixer installation will precede scheduling of tank maintenance.
- Wells: Board indicated that staff should not lose sight of scheduling well maintenance;

EAWA SPECIAL BOARD MEETING MINUTES
September 21, 2019 - 8:15 AM

- Line replacements: Board indicated support for the planned line replacements given the positive outcome of the Spruce Street Project this year. Staff will prepare recommendation for 2020 project. Authority needs to work with the Borough on scheduling of work in the downtown area;
- WTP Plant Improvements: consensus of Board was to engineer and permit the plant improvements along with the stream stabilization near the reservoir;
- Trailer mounted generator for use at well locations;
- Replacement of the 2005 GMC pickup with a panel van in 2020.
- Water Service Extensions: Several areas that currently do not have service were discussed. Initial calculation indicate that the areas could be serviced and increased revenues would pay for the extension over time. The Board agreed that potential extensions should be coordinated with the Townships;
- Current and future developments in the Borough and Townships were discussed.

d. Billing / Rates

- i. 2020 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 a planned increase for 2020 because of rising debt service costs.

e. Healthcare

- i. Benecon estimated increase for EAWA: 1-3%. Final rates obtained at October Benecon Board meeting. Authority Manager indicated transition to the high deductible plan with HSA has been for the most part positive.
- ii. Good plan year in 2019 thus far;
- iii. Benecon has indicated this year's claims are tracking well.

f. Act 205 Pension;

- i. Current balance: \$277,281.24
- ii. YTD Return: 9.83%
- iii. Authority Manager is investigating potential management options for the fund.

g. Capital Reserve Investment Accounts Update;

- i. Current Balances were reviewed. Declining interest rates have impacted returns. Returns will continue to decrease as interest rates decrease.

h. Priorities & Goals

The Authority Manager will work with the Board to update and identify short and long term goals. The priorities are:

EAWA SPECIAL BOARD MEETING MINUTES
September 21, 2019 - 8:15 AM

- Capital Improvements;
- Rate Adjustments;
- Service Extension Strategic Plan Development;
- Regulatory Capital Impacts;
- Policies and Procedures;
- Continued Asset Management;
- Personnel Manual Update;
- Cybersecurity.

4. **UNFINISHED BUSINESS:** None
5. **NEW BUSINESS:** None
6. **EXECUTIVE SESSION:** None
7. **BOARD MEMBER'S REMARKS:** The Chairman thanked the Board for coming in early on a Saturday morning
8. **ADJOURN: 11:05 AM**

Respectfully submitted,

D. Becker, PE, Authority Manager

Approved at 10 / 14 / 2019 Meeting