

EAWA SPECIAL MEETING AGENDA
September 25, 2021 - 8:45 AM

1. CALL TO ORDER:

2. PUBLIC COMMENT:

3. REPORTS:

a. **Manager's Report** – Legal notice for mtg. appeared in 9/22 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 2021 Draft Operations Budget with updated Revenue and Expenditures through September 22, 2021;

▪ Inflationary Pressure – unlike previous years, consumer price increases now exerting pressure as well as supply issues. Quoting Bureau of Labor Statistics: *"In August, the Consumer Price Index for All Urban Consumers rose 0.3 percent on a seasonally adjusted basis; rising 5.3 percent over the last 12 months, not seasonally adjusted. The index for all items less food and energy increased 0.1 percent in August (SA); up 4.0 percent over the year (NSA)."*

▪ Expectations for return from invested funds will remain very low although the Federal Reserve has indicated interest rates will rise in 2022.

▪ Total debt service increases to \$818,132.84 for 2022. Stays at this level until 2031 when loan paid off in 2032.

b. Unanticipated 2021 Expenses

▪ TTHM Issue: increased expenses due to customer notifications, lab analysis, and pretreatment chemicals.

c. Healthcare

▪ Benecon estimates slight decrease to slight increase for EAWA, up to 2%. Final rates obtained in October.

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

a. Pipe Replacement Projects

• Bid for 2021 project has been delayed.

➤ Alida St from Harrisburg Ave to Greider Ave replace approx. 450' of 4" Cast Iron main, 8 Service, 2 Valves, 1 Fire Hydrant added.

➤ Alida St from School Lane to Dead End replace approx. 400' of 4" Cast Iron Main, 4 Services Laterals, 2 Valves and 1 Fire Hydrant.

➤ Lime St (Rheems) from Harrisburg Ave to Dead end replace approx. 600' of 4" Cast Iron and 2" BB , 5 Service Laterals, 3 Valves, 1 Fire Hydrant

➤ Broad St from Harrisburg Ave to Dead End replace 700' of 4' Cast Iron and 1 ¼" Galvanized, 5 Service Laterals, 3 Valves, 1 Fire Hydrant.

➤ Market Street from College Ave to Arch Street (900 feet) will be included in the next bid to be completed prior to repaving. Engineering has commenced.

b. Distribution and Treatment Facilities:

- Disinfection System Modifications: GHD has started design with deadline of having in place before the warm weather next year.
- WTP Plant Improvements project: additional intake pipe, potential clearwell modifications, other plant improvements such as relocation of the membrane cleaning skid to the Chemical Storage Room.
- Storage Tanks: establish cycle for cleaning, interior coating and painting. In order of priority: Buckingham/Radio Road; Groff; Rockwood; and West Ridge Road.
- Trailer mounted generator: Generator sized, waiting for more favorable market conditions during the winter. System is now more resilient with installation of generator at Mount Joy Township.

c. Vehicles and Equipment:

- Dump Truck Replacement – 1993 truck purchased from Borough is running well enough. Deferral to 2023 recommended.
- Vehicles – replacements not anticipated to begin until 2028.

d. Land Development Pending:

<u>Development</u>	<u>EDUs Added</u>
StoneyBrook Phase 2	54
StoneyBrook Phase 3A	34
StoneyBrook Phase 3B & 4	114
Westbrooke Phase IV	221
Campus Road	482
Sheaffer Road	377
Raffensperger	86
Cloverleaf & Market	300+ ??
Total	1,668
Current Tapping Fee	\$3,300.00
Potential receipts	\$5,504,400.00

iv. **Billing / Rates**

a. New Rate Structure: update on structure and rate model

b. Fire Service: refer to memo distributed at meeting

v. **Capital Reserve Account Update**

- a. Current Balance: refer to summary of Fulton accounts (attached);
- b. Minimum balance implemented by Board in 2021;
- c. Propose sweep of all funds in excess of Operational Reserve of \$500,000 from Operating Fund to Capital Reserve at year's end as in years past.

vi. **Act 205 Pension**

- a. Balance as of 8/30/2021: \$424,103.80
- b. YTD Return: 8.39%

- c. Current investment objective: Income, with medium risk tolerance and a 5 to 10 year timeline.
- d. Anticipated contribution for 2022: \$42,000+ (dependent upon final salary adjustments)

vii. Short-term Priorities & Goals;

Focus for 2022:

- Disinfection Byproducts
- Construction in advance of PennDOT work on Market Street
- Continued update to standard practices and all manuals, including Design Standards.
- Succession Planning: training for junior staff has resumed. Identify additional fresher training for senior staff.

viii. Long-term Priorities & Goals;

- Disinfection Byproducts focus to avoid repeat of TTHM issue during warmer months
- Impacts of Climate Change on Authority operations including potential need for pretreatment options not part of original plant design and impact on sustainability/reliability of water sources
- Customer growth: may accelerate need for 3rd membrane skid. The treatment capacity of each skid is 600 gallons per minute but this does not take into account the need to clean and perform maintenance which reduces the capacity.
- LCR compliance – this is a large multi-year effort that is just starting. Inventory of every service lateral must be completed. Later required efforts will include increased testing and replacement of service connections.

4. UNFINISHED BUSINESS:

5. NEW BUSINESS:

6. BOARD MEMBER'S REMARKS:

7. EXECUTIVE SESSION:

8. ADJOURN: _____ AM