EAWA SPECIAL MEETING MINUTES
SEPTEMBER 20, 2025 - 8:00 AM

CALL TO ORDER: The EAWA Board meeting was called to order at 8:00 A.M. by Dale Treese, Chairman. Members present: Keith Murphy, Jeff McCloud, Rich Sheidy, Rick Erb, Rob Reale Jr and Chuck Brewer. Also present were Austin Calaman, Authority Manager; Jason Bock, Operations Manager; and Michele Powl, Business Manager. Not present: Michael Krieger, Engineer; Donna Bissinger, Admin Assistant and Jill Gebhart Admin Assistant. Members of the Public: None

1. PUBLIC COMMENT: None

2. REPORTS:

a. Manager's Report

i. Discussion of DRAFT 2026 Operations and Maintenance Budget (Notes/Summary Provided)

Revenue

- Overall – I went on the conservative side when it comes to projecting revenues. I used 35% of the last quarter (summer months- highest months) revenue since the 4th quarter revenue doesn't hit until 2026. I also included the 3.5% rate increase which should reflect an increase of 3.5% on revenue. I also kept total customer count relatively the same to be conservative on the addition of new customers.

Expenses

- Overall, for the distribution/plant expenses, I kept everything relatively conservative based on the data I have to date regarding this year's budget compared to actuals. I wanted to note that the biggest driver to the increase in costs is to meet the regulations set forth by DEP and the EPA. Examples are LCR, Cross Connection, etc... Plant expenses were similar with the largest increases being plan maintenance. For admin, the biggest item of discussion is the health insurance renewal costs. Other than that, nothing crazy as far as adjustments but some items did have some additions or increases based on postage or existing contract increases.

Debt Service

- An item to keep in mind is that when the PennVest work is complete, the debt service will be about $100K per month or $1.2M a year. This, in addition with the existing debt service of $815K (paid off in 2031), would have us paying over $2M in debt service payments from 28/29-31.

Questions/Comments:

- Rich asked about our electric costs and usage increase. Staff will investigate the existing power supply contracts to confirm any increases as well as estimation on increased usage based on demand.

ii. Discussion of DRAFT 2026-2030 DRAFT Capital Improvement Plan (Notes/Summary Provided)

Water Storage

- We pushed the painting and refurb of the Buckingham tank to 2026 to ensure the proper timing for taking the tank offline (lowest demand). The contract has already been executed so we should be in good shape as it relates to the budgetary placeholder. Looking into the future, we will continue to paint and refurb tanks based on the inspection reports we receive. Right now, we're looking at Groff being the next tank followed by West Ridge. Each of the tank projects will be spaced out to provide time between projects.

Water Production

- There are several bigger ticket items in this group of projects. The Clearwell bypass project is partially funded through PA Gaming Grant funds, which should help reduce the financial impact. That project will provide an ability to bypass the Clearwell for cleaning and emergency purposes.
- Well 6/7 has been discussed at length. The board voted to proceed with a new building which does increase that cost by about a million, but staff will look to value engineer where possible. We will also work to expedite that project as much as possible since it is a top priority.
- VFD Installation is another project which has broken out to cover all the remaining wells. Originally, they were spaced out but we will try and work with our vendors to see if the pricing could be better to do them at once. We'll just need to work with our SCADA integrator to ensure proper configuration.
- There are a couple notes about the Conewago intake and pump replacement. These currently do not have monetary figures in them for the next 5-years but I wanted to keep them on the Board's radar looking beyond the 5-year mark.
- Back Creek and Conewago allocation improvements are really placeholders for now. We're working with GHD on a path forward with some preliminary buckets for funds to get us through this year. Beyond that, we'll need to remain vigilant that additional costs may be incurred based on the PADEP's response to our plan.
- Additional Well Development has been a topic for some time. With the focus on the new well 6/7 building, we can aim to focus our efforts on a potential well down in that area where we can pipe it back to well 6/7 for treatment. This would be a cost savings in lieu of building and implementing treatment at the site of a new well, wherever that may be.

Water Treatment

- **3rd Skid** - this has been a discussion point for some time now. The purpose, from operations perspective was due to the constant fowling of the membranes and the need to constantly clean each skid without any redundancy. For example, once one skid goes down for cleaning, the other skid now takes the full load of cleaning. This causes that skid to become dirty and needs to be cleaned as soon as the other is done. We also can't run both skids at the same time without draining the wet well, i.e. we have a hydraulic chokepoint. Adding the 3rd skid would be limited in production until the choke point is resolved. A curveball to this discussion is if the Boro pushes for waste neutralization coming from the plant. Del has conversations with them but nobody else knows the details of the discussion. Tying the 3rd skid to capacity would also allow for that project to be driven by development. That's not to say that implementing the 3rd skid should wait that long. The goal is to make adjustments to eliminate the frequent cleaning. This would be a Phase 2/3 project.

- **Hydraulic Choke Point –** This has shifted to be the priority project so that we can set ourselves up for the future as far as capacity. GHD is currently looking over historical drawings to see if they can identify the culprit. They did mention that back when the new plant was built there was supposed to be some work done at the reservoir and wet well due to undersized piping, but it wasn't included in the project. We also discussed incorporating improvements at the old plant to add A/C, electrical upgrades, VFD's, larger pump, etc. Consider this a phase 1 approach looking at 26/27 timeline.
- **Pre-treatment/DB's/TOC –** This is an item that EAWA and other municipals with surface water plants continue to battle. With us not having pre-treatment, we add coagulant directly into the membranes along with chlorine which causes the membranes to fowl and become less effective. We have made strides to solve some of the issues coming from the reservoir like the SolarBee mixers which were approved in July. We're anxious to see what the impact of that will be along with some operational changes which could assist in battling DB's. That said, we could benefit from looking at a PILOT study for Pre-Treatment since most, if not all, surface water plants build today include pre-treatment of some kind. This would be a standalone project should a plan be put in place to add pre-treatment. There may be alternative technologies as well so we will continue to do our research.

Fleet

- The biggest thing to note with the fleet is the addition of a Vac truck. With the lead and copper inventory confirmation and day-to-day operations, efficiency can be gained by having our own hydrovac truck vs. having to rely on a contractor like Ebersoles. We had one in Lewes and it was our most used piece of equipment across the water, sewer and storm utilities. It allows you to safely vac and get a trench or area in lieu of using a piece of equipment or by doing it by hand. We also add the replacement of an ops vehicle and the admin vehicle which both will be over 10 years old by the time we get to 2030.

Admin and Support

- This is a new section I added. I wanted to include items like HVAC, Computers/Servers and meters here. The HVAC is on the budget due to the unreliable nature of our geothermal units and that they are undersized for the building based on a previous study that was done. This was a carryover from Del who had an estimate prepared which I had updated for this budget. I added the computers and servers because they too would be a capital expense which would be on a reoccurring replacement program of 5 years or so. The planned meter replacements are one off's from the existing project with Sensus, LB Water and Kentrel.

Cast Iron Main Replacement

- Right now, we're on track to potentially include all 5 phases of the initial PennVEST scope based on the pricing coming in from phase 1 and 2 significantly under budget. I want to preface that this is pending PennVEST approval since "phase 3" was originally left out due to the $20M cap in funding. Looking ahead, the 2nd round of PennVEST funds would be focused on State roads like Market and High St. With GHD having the majority of the design complete for W. High, we can continue to have them do the engineering and construction phase services while having HRG handle the PennVEST work. This was confirmed with GHD but not with HRG. The reason for the split duties is simply because Del has GHD do the initial engineering which was a tall task due to the limited space and Amtrack crossings. I believe the original intent was to fund E/W high from the capital fund but with cost estimates for $4M+ for just W. High, it pushes the project into the realm of needing funding.

iii. Discussion of Cash Flow Graph

- The Board utilized the cash flow model to run scenarios based on revenues/rates/etc…

3. **UNFINISHED BUSINESS:** None
4. **NEW BUSINESS:** None
5. **BOARD MEMBER'S REMARKS:**
6. **EXECUTIVE SESSION:** None
7. **ADJOURN: 11:36 AM**

Action: "That the Board adjourns the regular meeting."

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

Respectfully submitted,

A Calaman, Authority Manager

Approved at 10/13/2025 Meeting