

**EAWA WORK SESSION MEETING MINUTES**  
**February 4, 2015 - 6:30 PM**

**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 6:30 P.M. by Dr. C. Dale Treese. Members present: John Buch, Keith Murphy, Del Becker, Jeff McCloud, Rick Erb and Chuck Brewer. Also present were George Alspach, Solicitor; Peter Lusardi, Engineer; Wayne DeVan, PWD; Mike Skelly, Manager and Michele Powl, Administrative Clerk. **Other Attendees:** Rich Sheidy.

**2. PUBLIC COMMENT:** None.

**3. REPORTS:**

**Manager's Report:** Skelly said he received a request from David Abel regarding the use of EAWA's lane integrating with their lane. He said George Alspach and he are investigating and dealing with David Abel's solicitors. Skelly said he will provide more information at a later time.

**Chemical Bid** - Skelly noted that Liquid Aqua Mag increased by 23% from last year's price and will increase by approximately \$2,300 for next year. Hypochlorite remained the same price as last year.

**Action:** "That the Board award the chemical bids according to the lowest bidders."

**Motion:** J. Buch

**Second:** D. Becker

**Approved**

**Year-End Banking and Financial Performance** - Skelly said that a copy of the year-end financials for the CRIM accounts and the Operating fund were included in the packet for the Board's review.

**Succession Plan** - Skelly said the KSA (Knowledge, Skills and Abilities) checklist was included in packet. He said the document was prepared with assistance from a consultant (who worked for a larger Water Authority) from Chester County, John Leaman (Mount Joy Borough Authority), and Peter Lusardi (Engineer). Skelly noted that it was important for Gene Haldeman to review and provide his insight as to which items are ranked from highest to lowest. Skelly asked that the Board review the KSA checklist prior to his presentation on Monday on how everything is linked together.

**Asset Management - Capital Fund Review** - Skelly said Board received a revised copy of the 10 Year Capital Plan dated 1/27/15. He said the subcategories total \$2.7 million for potential needs over the next 10 years. Currently, EAWA has \$1.6 million in the bank and \$2.1 million in the CRIM account. The amount in the Capital Reserve Fund is \$3,857,543. Skelly said the purpose of the handout is to go through each category and provide justification on the amounts. Skelly said Peter

Lusardi prepared a revised fire flow analysis for our entire area to assist with budgeting for the replacement of water mains. Skelly noted that this process will assist in preparing the long term Capital Budget and aid in preparing the Operational Budget in conjunction with working with Chris Gibbons looking at the total assets and determining what is needed for future revenues. If EAWA has surplus funds, this will help determine the best way to invest the money or possibly loan funds to other municipalities or agencies instead of floating a bond. Alspach said Paul Lundeen would need to determine if it is possible to loan the funds.

Skelly said he discussed the water mains with Bixler and it was determined that no additional money is needed in this category because EAWA has not had a lot of main breaks and EAWA has been proactive in working with the Borough/Townships when the roads are scheduled to be paved. Skelly noted that the budgeted amount of \$727,500 for the water mains is a percentage of \$32 million (total cost to replace the 72 miles of water lines in our distribution system). DeVan said Ridgeview Ave. will be paved this year and Haldeman will evaluate what needs to be done. Lusardi said with all of Haldeman's years of experience, he has a good idea of the interior condition of the pipes, the history of the main breaks, and where the problems occurred.

Peter Lusardi said the big question is how proactive does EAWA want to be replacing water mains. There are three things to look at: 1) Are there any water quality problems from old water mains? No – water quality is good; 2) how has the repair history been? The amount of leaks and repairs has decreased; 3) what is the hydraulic capacity in terms of being able to provide adequate pressures and fire flows? Lusardi said he has an ongoing model of the distribution system that is used to determine the friction losses throughout all the mains. He said the interior of the system has a few issues with fire flow, but the pressures are high throughout the system, which is good. An analysis of the whole system showed that there are a few places that have limited fire flows. He said EAWA's system is very good compared to other water systems. Lusardi said if EAWA wants to be proactive and replace some of the mains, he recommends the Northwest section of the Borough (vicinity of N. Spruce St.) and Bainbridge St. (near Masonic Dr. and Yorkshire Ct.). He said if short lengths of the mains were replaced in the Northwest section, it would significantly improve the fire flows and the area on Bainbridge St. has a 6" pipe that causes low fire flow and restricts the flow towards the WDT tank. He will provide recommendations and costs at the March meeting.

After some discussion on the 10 year Capital Budget, the Board agreed to place the following amounts in each subcategory:

- Water mains: \$720,000 (\$72,000 each year)
- Meter replacement: \$250,000
- Storage tanks: \$862,000 – Skelly said costs could increase for repairs in the future.
- Vehicles: \$500,000 - Haldeman prefers to repair and replace vehicles as needed.
- Future Supply: \$3,500 - Skelly said he met with the SRBC and they advised that EAWA may lose some of our water supply. He noted that Steve Fisher will be

preparing the permitting work for Well #5. Skelly said the SRBC was questioning the wells that were grandfathered and may require EAWA to do something with the wells. Skelly said we should revisit the EDU's every 5 years and do a new analysis.

- 299 W High St / Old Treatment Plant: \$20,000 - Becker said that the building is in need of an upgrade. Murphy and Lusardi stated that the goal was to demolish the old building after the new building was built. Skelly said Board will need to discuss more in detail at a later time.
- Main Office: \$10,000
- TP / Pall Membranes: \$220,000 - Skelly noted that each membrane costs \$3,000. He said an inspection was done and everything should be good for 10 years.
- Wells: \$160,000 – Skelly said this covers replacement of pumps and maintenance on well houses.
- Back-up Operating Reserve – \$0.00

Skelly said 2019, 2022, and 2024 are important years for planning the Operating Budget year by year depending where we are paying back the bonds. Skelly noted that the previous version of the 10 Year Planned Budget contained a subcategory labeled Automatic Metering. Skelly said it may be something to look at in the future. Skelly said he will use the revised figures to finalize the Operating and Capital Budgets so he can start working with Chris Gibbons. He said he would like this completed by April so he can meet with the people at CRIM to discuss investment options.

**10 Year Anniversary Event** - Skelly said the Board received a memo dated 1/19/15. He said Powl, Bixler and himself (McCloud was unable to attend) attended a meeting to discuss logistical issues. Skelly said a summary of the meeting was prepared, emailed to McCloud and comments were received from McCloud. Skelly said the memo summarizes our recommendations to the Board. Skelly said the main item for the Board is to choose a date for the event; Board selected June 6, 2015. Skelly requested guidance with the food and activities. Board recommended that Elizabethtown College cater the event. Murphy asked if a tent is needed. Skelly said he would prefer to have the attendees and food outside. Brewer offered the use of his two canopy tents (10 x 20) instead of renting a large tent. Board agreed to use Brewer's tents for the event. McCloud suggested inviting local officials, DEP Secretary, Governor Wolf, CEO of Masonic Village, and our customers to the event. Murphy mentioned having a DJ and activities for the children. Board asked Powl to check prices for a DJ and activities. Skelly said details can be worked out with McCloud.

### **Cyber-Security Plan -**

**Action:** ““That the Board adopts the Cyber-Security Plan as a supplemental component to EAWA’s Emergency Response and Business Continuity Plan.”

**Motion:** J. McCloud

**Second:** J. Buch

**Approved**

**Operations Manager's Report:** Treese said the monthly report was provided.

**Public Works Director's and Engineer's Report:** None.

- 4. UNFINISHED BUSINESS: Bronze Entrance Plaque** - Skelly provided a memo to the Board with suggestions for the plaque(s): 18" x 24" in size and two text options: anniversary text with the names of the original Board members and description of the building and the plant. He noted that he would prefer that the Board handles the design of the plaque(s) because he is unable to visualize what they are looking for and there are too many details that could be misconstrued. Treese said he would work on it.

**White Oak Mills** - Treese stated that Skelly received an inquiry from White Oak Mills about properties and right-a-ways. Treese asked Skelly to provide the Board with their proposal to review at the March meeting.

- 5. NEW BUSINESS:** None.

- 6. BOARD MEMBER'S COMMENTS:** Murphy asked for an update on Haldeman. Treese said Haldeman is recovering at home.

- 7. EXECUTIVE SESSION:** None.

- 8. ADJOURN: 8:14 PM**

**Action:** "That the Board adjourns the work session meeting."

**Motion:** K. Murphy

**Second:** C. Brewer

**Approved**

Respectfully submitted,

M. Skelly, Authority Manager

***Approved at 02/09/15 Meeting***