

EAWA WORK SESSION MEETING MINUTES
April 1, 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, Rick Erb and Chuck Brewer. Absent: Jeff McCloud. Also present were George Alspach, Solicitor; Peter Lusardi, Engineer; Steve Bixler, Operations Supervisor; Mike Skelly, Manager; Grace Miller, Business Manager and Michele Powl, Administrative Clerk. **Other Attendees:** None.

2. PUBLIC COMMENT: None.

3. REPORTS:

Manager's Report: Skelly noted that the Auditor's will present the audit at the Board meeting on 4/13/15.

SRBC Update - Skelly stated that the Board received a copy of the 3/16/15 email from Scott McFeathers (SRBC). McFeathers stated in the email that the applications for Wells 8 & 9 were complete; however, SRBC decided to broaden the evaluation to include all the wells. Skelly advised Steve Fisher that more information will be required. Lusardi said SRBC is changing their review approach and he hopes that SRBC will look at the data without requiring pump testing. He said we will have to wait and see what happens.

Rockwood Tank Maintenance Agreement - Skelly said the agreement expires on 12/22/16 and no further work needs to be done on the tank. Treese said he thought EAWA was budgeting for it and didn't need a contract. Skelly said he will prepare a written notice to cancel the agreement.

Conoy Crossing Phase 2B - Skelly provided information to the Board listing key dates regarding the subdivision. Skelly said he is seeking clarification from the Board on the expected phasing and timing for the subdivision. He stated that this was prompted by receiving a new final plan on 3/16/15 from DC Gohn for Phase 2B. Skelly noted that he is concerned that Phase 2B doesn't coincide to EAWA's expectations and negotiations. Treese stated that the new final plan was distributed to the Borough and Planning Commission. Skelly said what EAWA agreed to was that after Phase 2A was completed that Phase 3 would be the next phase to be started; however, what is being proposed is that Phase 2B will be the next phase instead of Phase 3. Murphy said that this is why Phase 3 was to be the next phase. He said if the water line is not looped (as agreed to) and there is a break in the line, the houses may be without water for several days and creates a safety concern. After some discussion, the Board agreed that a LOC would need to be provided for the water line in Phase 3, if Phase 2B was the next phase to be started. Skelly said he spoke to Rodney Horton and Wayne DeVan about the sequencing of the phases and it didn't seem to be a concern to them. Skelly said Jake Olweiler thinks they can

do both phases by the deadline date. Skelly stated that he is skeptical about the completion date deadline due to the economy. Skelly drafted a letter to Borough Council and Jake Olweiler stating EAWA's concerns. Treese asked Skelly to contact Roni Ryan first and she how she wants to direct the letter.

Draft Policy for Separation of Shared Water Service – Skelly provided a memo to the Board outlining a proposal on how to alleviate issues with semi-detached/duplex homes having a single service lateral that are shared by two units. He said in 2011 there was an issue with a contractor separating a duplex and it was stated in the Construction and Design Manual that he be required to install a second water line. Skelly suggested that a policy be adopted that if a homeowner is doing major repairs or failure with the water line occurs that a second water line be installed. Skelly stated that he drafted a policy and circulated to Alspach, Haldeman, and Bixler to review. He said the wording would be the same for General Policies and Rules and in the Design and Construction Manual. Alspach said the problem with the semi-detached/duplex homes is the water shut offs due to non-payment. Skelly said the problem started with terminations for non-payments when one unit was a foreclosure and the other unit paid their water bill. If EAWA didn't know that it was a shared service, both units would have had the water shut off. Becker stated that EAWA needs to define what triggers the separation of the shared water service. Murphy suggested that EAWA send a letter to each homeowner that has a shared water service and advise them of the information. Alspach said since most of the homes are in the Borough EAWA needs the support of the Borough. Becker said the following items could warrant the installation of the second water line: 1) replacement of water mains; 2) sidewalk repairs; 3) future installation or reinstallations of water lines; 4) street work. Murphy suggested that EAWA waive the tapping fee, cover the cost of the curb stop and the customer pay for inspections. Treese advised Skelly to make revisions to the draft policy, Board can discuss the revised draft at May WS meeting, and a copy of the draft policy should be sent to Roni to review. Treese mentioned that EAWA could ask Denny Landvater to advise if the property has a shared service when he does the Borough rental inspections.

Draft Operating Fund Forecast – Skelly said the operating fund forecast is step 4 in a 5 step process. He said this forecast provides assurances on how much money EAWA will need for the next 5 years. Skelly noted the following items: 1) Very little growth in revenues; 2) Distribution expenses will drop in the expenditures because funds will be pulled from the Capital fund instead of the Operating fund; 3) Filter system expenses will have a minor decrease and then a gradual increase; 4) Administration expenses will have minor increases; 5) Bonds & Debt will have considerable increases with the refinanced 2012 bond (principal will start to increase); 6) The bonds beyond 2016 will increase considerably. Skelly noted that he is not anticipating any major increases until 2018. Skelly said Chris Gibbons has reviewed the forecast and signed off on it. Skelly stated Gibbons will come in May to discuss all the work that Gibbons and he have done. Skelly said the last step in this process will be to sit down with Gibbons and people from CRIM to look at our Capital fund and how to better invest the money that EAWA doesn't need for any Capital improvements in the future to achieve the best interest rate. Treese asked if the 2%

increases have some historical value. Skelly said he used COLA to calculate. Treese said that he would prefer to use 4% in the projections if there is a range of 2% - 4%. Treese stated that rates will be equalized in 2016, the Board will hold off with any rate increases in 2017 and rates will be reviewed for 2018. Treese asked Skelly to make adjustments on the forecast and note to review rates in 2017 for 2018.

Operations Manager's Report: Bixler mentioned the following items: 1) Tom Shaud and he attended the PRWA Conference at Penn State last week; 2) new work schedule started off a little rough, but problems were worked out and the scheduling is working with the technicians having a 4 day weekend; 3) flushing the system will be postponed until the fall after summer vacations; 4) met with the cellular company and the well will be off line for 10 days to 2 weeks. Treese advised Powl to list the flushing dates on the website once finalized.

Public Works Director's Report: None.

Engineer's Report: Lusardi said he can discuss or follow up on any questions on the memo with the overall water main evaluation related to the Asset Management water mains. Lusardi said after talking to staff the best recommendation is to continue coordinating any water main replacement with street repair work and resurfacing. Lusardi said the overall condition of the Distribution system is good. Lusardi mentioned that Haldeman spoke to the fire company and the fire flow is still good without replacing the water mains on N. Locust and N. Spruce.

4. **UNFINISHED BUSINESS: White Oak Mills Update** - Becker said McCloud, Skelly and he met with Todd Cirelli and passed on the Board's concerns with the potential development of the property in question. Becker said the meeting went well and Cirelli has been in contact with Mike since the meeting. Treese said Cirelli has met with the Borough concerning the subdivision plan and expenses. Treese said Cirelli wanted to know if EAWA would be interested in a payback plan towards expenses. Alspach said no. Treese noted that Cirelli has to line up everything and decide if they are going to move forward with the plan. Skelly said Cirelli said White Oak is still interested in pursuing.

Draft Workplace Safety Manual - Postponed to WS meeting on 5/6/15.

10 Year Anniversary Event - Powl indicated that a tent was needed for the event in case of inclement weather. She said it would cost approximately \$900.00 for the tent, tables and chairs. Board approved the tent rental.

Rain Barrel Sale and Seminar - Powl distributed examples to the Board of two color options for the EAWA decals along with the costs of the decals. Board agreed the white decal would stand out more on the rain barrel and authorized Powl to order the decals.

5. **NEW BUSINESS:** None.

6. BOARD MEMBER'S COMMENTS: Becker stated that he would not be able to attend the 4/13/15 meeting. Murphy asked Skelly if EAWA received any money from Cornwall Quarry. Skelly said no. Treese mentioned newspaper articles about the two winners at the North Museum Science Fair. He said both students had projects on water. He would like to invite them to the 10 year anniversary event to present and discuss their projects.

7. EXECUTIVE SESSION: None.

8. ADJOURN: 8:18 PM

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

Motion: J. Buch

Second: D. Becker

Approved

Respectfully submitted,

M. Skelly, Authority Manager

Approved at 5/11/15 Meeting