



Workshop and Regular Meeting Minutes

Board of Directors

March 25, 2015

5:00/6:00 PM

Workshop Meeting (5:00)

A Workshop Meeting of Capital Region Water was conducted at 5:00 PM prior to the Regular Meeting. The Workshop was open to the public and presentations were made to bring the Board and public up to date on the status of the ongoing projects.

In Attendance:

Board:

J. Marc Kurowski, Chairperson
William J. Cluck, Vice-Chairperson
Westburn Majors, Secretary (Arrived at 5:46 PM)
Crystal Skotedis, Treasurer

Staff:

Shannon G. Williams, Chief Executive Officer
David Nowotarski, Chief Financial Officer
Jack Lausch, Director of Administration
David W. Stewart, P.E., Director of Engineering
Michael Deily, Director of Operations
Karen M. McKillip, Document Manager/Right to Know Officer
Andrew Bliss, Community Outreach Manager
Tanya Dierolf, Sustainability Manager
Raly Bey (Arrived at 5:41 PM)
Renee Snyder (Arrived at 5:50 PM)

Consultants:

Steve Grubb, Esq. (Goldberg Katzman, P.C.)
Michael A. Schober, P.E. (CDM Smith, Inc.)

Wet Weather Program Outreach Campaign (Presentation by Andrew Bliss began at 5:15 PM)

Mr. Bliss outlined the public outreach, participation, and notifications that are mandated under wet weather regulations and how CRW intends to meet them through a public outreach campaign that will be launched on Earth Day, April 22, 2015 at the Water Services Center. This campaign will include: (1) a Citizen Ambassador Committee consisting of approximately 10-15 people, (2) an Art

Contest that will culminate with a joint exhibition at the Susquehanna Art Museum focused on the Susquehanna River opening on June 16, 2015.

Upon inquiry, it was noted that CRW has spent approximately \$2,000 in consulting fees for the design of the logo for the campaign. A Grant and Funding Coordinator will begin employment with CRW in June and will be seeking additional grant money to fund the campaign.

DeHart Watershed Plan Update (Presentation by Tanya Dierolf began at 5:40 PM)

Ms. Dierolf updated the Board on the status of the strategy for ensuring long-term conservation protection of the Clarks Valley Watershed after the rejection last month of a proposed sale of two parcels. Ft. Indiantown Gap is still interested in using their ACUB funding to protect this land and has brought in a new third-party representative to work with CRW on a new possible structure. This third party, the Ward Burton Wildlife Foundation, has proposed a permanent easement held by the Nature Conservancy. This would allow CRW to maintain ownership of the land, but also allows The Nature Conservancy to monitor and ensure that CRW or others are not operating in conflict to the easement agreement. Compensation to CRW for giving up the right for development necessary to secure this easement would be through the ACUB funding. The actual funding and granting of easements could be phased over several years depending on the desire of CRW and the availability of funding streams.

In order to have adequate and appropriate information necessary to make decisions related to the future of the watershed property, CRW will be issuing three Requests for Proposals in the near future: (1) Property Boundary Survey for CRW-owned parcels in the watershed; (2) Forest Stewardship Plan; and (3) Legal Services related to conservation transactions.

The Board members noted that they were pleased to see that discussions were still occurring and that they felt CRW made the best decision to take additional time to perform additional due diligence with the issuance of the RFPs and to make an informed decision about permanent easements in lieu of an outright fee simple sale of our most valued asset.

Regular Meeting (6:00)

The Regular Meeting of Capital Region Water was held on March 25, 2015 in the First Floor Conference Room located at the Locust Court Building, 212 Locust Street, Harrisburg, Pennsylvania. The meeting was called to order by Mr. Kurowski at 6:04 PM.

In Attendance:

Board:

J. Marc Kurowski, Chairperson
William J. Cluck, Vice-Chairperson
Westburn Majors, Secretary
Crystal Skotedis, Treasurer

Staff:

Shannon G. Williams, Chief Executive Officer
David Nowotarski, Chief Financial Officer
Jack Lausch, Director of Administration
David W. Stewart, P.E., Director of Engineering
Michael Deily, Director of Operations
Karen M. McKillip, Document Manager/Right to Know Officer
Jess Rosentel, Superintendent – Sewer
Andrew Bliss, Community Outreach Manager
Tanya Dierolf, Sustainability Manager
Renee Snyder, HR Manager

Consultants:

Steve Grubb, Esq. (Goldberg Katzman, P.C.)
Ed Ellinger, P.E. (HRG)
Michael A. Schober, P.E. (CDM Smith, Inc.)
Paul Rosol (Whitman Requardt Associates, LLP)
Michael Olivier (Whitman Requardt Associates, LLP)
Brian Book (Hazen and Sawyer)

Others:

Paul McNamee, PE (KCI Technologies, Inc.)
Matthew Crow (JMT)
Susan Weldon (AFSCME Local 521)

Chairman's Announcements:

- An Executive Session under Section 708(a)(5) of the Sunshine Law was held today at 4:00 PM to discuss potential litigation regarding 1616 Partnership Litigation.
- The next Regular meeting is scheduled for Wednesday, April 22, 2015 at 6:00 PM.
- CRW is considering conducting workshop meetings each month in addition to the regular monthly meetings in order to be kept up-to-date on issues that come before the Board and for the public's interest. The first potential Workshop meeting would be held on Wednesday, April 8, 2015 at 5:00 PM. The Workshop meetings will be open to the public and will be advertised in order that deliberation of issues may

take place. More information will be coming regarding this in the future.

- A written Proclamation was presented to Karen M. McKillip for 25 years of service with this Authority. Mrs. McKillip began her employment on April 1, 1990 as an Administrative Assistant with what was then called the "Harrisburg Water and Sewer Authority" and has held many roles and titles within the organization including Interim Executive Director. The Board thanked Mrs. McKillip for her 25 years of service to this organization. A copy of the written Proclamation is attached to these minutes as "Exhibit A".

Staff Reports:

The Monthly Management Report was provided to the Board in advance of the meeting and will be posted to CRW's website tomorrow. Each Director provided highlights and supplements to the report and entertained questions from the Board.

Chief Executive Officer:

Ms. Williams introduced tonight's four agenda items and noted that Issue Briefs had been prepared and distributed to support each.

She also announced that CRW will partner with Pennsylvania American Water Company and other water utilities to prepare a utility worker imposter awareness campaign that will support the safety of our staff and our customers.

Ms. Williams noted that she will be attending the NACWA's annual National Water Policy Forum, Fly-In and Expo in Washington DC April 13-15, 2015 to advocate for clean water funding, maintaining the tax-exempt status of municipal bonds, integrated planning under the Clean Water Act, and financial affordability considerations.

A Source Water Protection Plan has been drafted, and a summary of grants that have been identified will be added to the Monthly Management Report in the near future. Ms. Williams noted that she is reaching out to similar utilities to compare our compensation and structure to ensure we meet our goals to be both fiscally responsible and an employer of choice.

Chief Financial Officer:

Mr. Nowotarski noted that the billing conversion is on track to go live on April 27th. This will allow CRW to separate the water and sewer billing from the City's trash billing for the first time in history. Bill stuffers will be provided to customers along

with banners and signs at the Customer Service Center and CRW's website to make everyone aware of the different billing procedures.

Director of Engineering:

Mr. Stewart noted that a pre-proposal meeting for the green infrastructure project was held on March 24th. CRW will be receiving qualifications packages in April and he expects to come back to the Board in May with recommendations for an award.

The Screening and Pump Station Final Report was received today and will be discussed at the next work session.

He also noted that he is encouraged following a meeting between CRW, Lower Paxton and Susquehanna Townships to discuss regional solutions for compliance. A meeting will be set up in early April with DEP to discuss the strategies.

Director of Operations:

Mr. Deily noted that the Operations Department has been very busy dealing with broken pipes due to the spring thaw cycle.

Mr. Cluck asked how repeat violators of industrial permits such as Harrisburg Dairies are dealt with. Mr. Deily and Mr. Rosentell gave a brief explanation about current procedures for violations. After the discussion, Mr. Deily was asked to set up a workshop to explain the process and policies related to the Industrial Pretreatment Program.

Mr. Deily encouraged board members to set up a tour of the AWTF during the improvement project. There are many stages of the project going on at this time and in a fast changing environment. He commended Jess Rosentel on being able to adapt to the day-to-day issues that occur at the facility due to the construction. Even with the weather conditions during the winter of 2014 only minor adjustments with scheduling had to be dealt with to keep the project on schedule.

Director of Administration:

Mr. Lausch noted that the primary focus of work this past month was human resource issues and the preparation of applications for insurance renewals which expire on April 1, 2015. Due to CRW's expanded activities over the past year, the negotiation and application process has been more challenging this year.

Upon inquiry he stated that there is no update to the office move, as CRW only

received the new lease for review approximately an hour before tonight's meeting.

Consultant Reports:

Written consultant reports were received from Goldberg Katzman, HRG, CDM Smith, and Whitman Requardt & Associates. Representatives from all firms were present and available for questions by the Board; however there were none.

Minutes of Previous Meetings:

A motion was made by Mr. Kurowski, seconded by Ms. Skotedis, that the minutes of the February 25, 2015 Regular Meeting be approved as presented. The motion was unanimously approved.

Modifications or Deletions to the Agenda: None.

Public Comments - Agenda Items (3 minutes): None.

New Business:

GENERAL/ADMINISTRATIVE:

A motion was made by Mr. Kurowski, seconded by Mr. Majors, that the following items be approved together: GENERAL ADMINISTRATIVE – Items A and B:

- A. Resolution 2015-002 – Climate Resiliency Assessment and Adaptation:** CRW agrees to participate in preparing for a climate vulnerability/resiliency assessment and to set implementation goals in order to reduce effects of climate change and specific impacts to its water, wastewater and stormwater systems.

- B. Resolution 2015-003 - Community Partner Support:** CRW agrees to partner with and support Community Groups to the extent that the activities are in support of the missions to protect its drinking water source in Clarks Valley and protect its secondary drinking water source in the Susquehanna River Watershed.

It was noted for the record that CRW is 1 of 20 utilities chosen by EPA to receive technical assistance from them. Ms. Dierolf explained the purpose of Resolution 2015-002 and noted that a few hours a week have been dedicated towards this and that the CRW staff that will be working towards this goal would be Claire Maulhardt, Mike Deily, Dave Stewart and Tanya Dierolf. The analysis will assist CRW is obtaining information regarding our

vulnerability to climate change and suggest projects to improve our climate resiliency. CRW will receive a final report after all of the information is analyzed.

The motion was unanimously approved.

FINANCE:

A motion was made by Mr. Cluck, seconded by Mr. Majors, that the following item be approved FINANCE - Item A:

- A. Resolution 2015-004 - Procurement Policy:** CRW agrees to the adoption of the Policies for the Procurement of Goods and Services thereby allowing CRW Directors. Including its CEO, CFO, Directors of Operations, Engineering and Administration, and any other employee of CRW who reaches a Director level to procure goods and services which are within the budget approved yearly by CRW's Board provided the expenditures are less than the Base Amount on Bids established each year by the Pennsylvania Department of Labor and Industry. Any procurement in excess of the Base Amount on Bids shall continue to be presented and considered by the CRW Board at a duly convened public meeting prior to approval.

The motion was unanimously approved.

A motion was made by Mr. Kurowski, seconded by Mr. Cluck, that the following item be approved: FINANCE - Item B:

- B. Third Amendment to H2O Grant #C000051333:**
Motion: The Board authorizes the Chairperson, Secretary and CRW's Solicitor to execute the Third Amendment to the H2O Grant No. C000051333 in the amount of \$141,760.00 to extend the Grant activity period from May 5, 2011 to June 30, 2016.

This Grant was originally issued to the City of Harrisburg and has since been transferred to CRW to use towards the Collection System, although a specific project has not yet been identified. The Grant monies are only able to be used for the repair or rehabilitation of brick sewers.

The motion was unanimously approved.

Board Comments:

Mr. Kurowski thanked the staff for the presentations provided at the Workshop and congratulated and thanked Mrs. McKillip again for her 25 years of service.

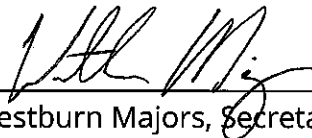
Mr. Cluck announced that on April 10th, the United Way will be conducting a Youth Day event where approximately 200 school students will descend upon City Island for clean-up, landscaping, and the planting of flowers and dogwood trees. Volunteers and chaperones are needed for the event. If you are interest in assisting, please contact Kira at the United Way.

Public Comment - Non-Agenda Items: None.

Adjournment:

A motion was made by Mr. Cluck, seconded by Mr. Kurowski, that the Authority adjourn the meeting at 6:40 PM. The motion was unanimously approved.

CAPITAL REGION WATER



Westburn Majors, Secretary

Proclamation

In Recognition of Karen M. McKillip

25 Years of Service

Whereas, on April 1st, 1990, Karen McKillip began her service with this Authority as an Administrative Assistant with what was then called "The Harrisburg Water and Sewer Authority"; and

Whereas, Karen McKillip has held many roles and titles within the organization including Interim Executive Director; and

Whereas, Karen McKillip has served Capital Region Water with dedication and strong commitment, providing the highest level of service to the staff and Board members of Capital Region Water; and

Whereas, this Capital Region Water Board recognizes that the CRW staff wish to publicly express their deep gratitude for Karen McKillip's many years of committed service put forth.

Now, Therefore be it Proclaimed, by this Capital Region Water Board, that we recognize the 25 years of service with Capital Region Water that Karen McKillip has provided; and

Be it Further Proclaimed, that this Capital Region Water Board recognizes the exemplary dedication and unwavering commitment that Karen McKillip has put forth during her time; and

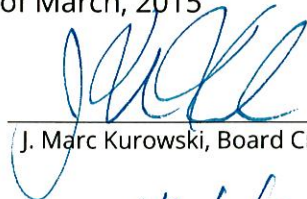
Be it Further Proclaimed, that the Chief Executive Officer is hereby authorized to distribute a certified copy of this Proclamation to Karen McKillip, the Right to Know Officer & Document Manager, and that it be spread upon the records of the Capital Region Water Board.

Proclaimed this 25th day of March, 2015



CAPITAL REGION

WATER


J. Marc Kurowski, Board Chairman


William J. Cluck, Board Vice Chairman


Crystal Skotedis, Board Treasurer


Westburn Majors, Board Secretary


Shannon G. Williams, CEO