



Regular Meeting (6:00 PM)

In Attendance:

Board:

J. Marc Kurowski, P.E., Chairperson
William J. Cluck, Esquire, Vice-Chairperson
Crystal Skotedis, CPA, CFE, Treasurer
Darryl S. Waters, Secretary

Staff:

Shannon G. Williams, P.E., Chief Executive Officer
Jack Lausch, Director of Administration
David Nowotarski, CPA, Chief Financial Officer
David W. Stewart, P.E., Director of Engineering
Karen M. McKillip, Archivist
Tammie Sheaffer, Office Manager
Lexie O. Grant, Grants & Funding Coordinator
Tanya Dierolf, Sustainability Manager
Mike McFadden, Superintendent – Drinking Water
Jess Rosentel, Superintendent – Wastewater
Joseph Ritchey, Risk Manager

Consultants:

Steven E. Grubb, Esquire (Goldberg Katzman, P.C.)
Steve Schiffman, Esquire (Serratelli Schiffman & Brown, P.C.)
Merritt Reitzel, Esquire (Serratelli Schiffman & Brown, P.C.)
Michael A. Schober, P.E. (CDM Smith, Inc.)
Paul Rosol (WRA)
Jeff Thompson (WRA)
Ed Ellinger, P.E. (HRG)

Others:

Mike Mehaffey, P.E. (Gannett Fleming)
Paula Zankel (Clarks Creek Watershed Preservation Association)
Brett Zankel, Esq. (Clarks Creek Watershed Preservation Association)
Arlene Taylor (Clarks Creek Watershed Preservation Association)
Karen Stilp (Clarks Creek Watershed Preservation Association)
Terry Fetterhoff (Stony Valley Coalition)
Tom Inge (Ward Burton Wildlife Federation)
Josh Parrish (The Nature Conservancy)



Dave Weisnicht (PA Army National Guard)
Nathan Walker (Amec Foster Wheeler)
Tom Munlyn (Sci-Tek Consultants, Inc.)

I. Call to Order - Pledge of Allegiance - Roll Call:

The meeting was called to order by Chairperson Kurowski at 6:12 PM.

Chairperson Kurowski noted that all Board members were present.

II. Chairman's Announcements:

- A.** An executive session under Section 708(a) of the Sunshine Act was held at 5:00 PM on March 17, 2016 to (1) consult with general and special counsel for the purpose of obtaining legal advice pertaining to the proposal of the Ward Burton Wildlife Foundation to place a conservation easement over property at and surrounding the DeHart Reservoir; (2) discuss with special counsel and general counsel regarding appropriate legal steps for public involvement, including comments and potential special meetings; and (3) discuss with general counsel involving the potential assertion of claims against the City of Harrisburg for unpaid reserves from the 2013 transfer/transition and the City's failure to provide insurance coverage for pre-transfer/transition personal injury claims.
- B.** An executive session under Section 708(a) of the Sunshine Act was held today at 5:00 PM to (1) discuss with special labor counsel a decision involving a bargaining unit employee and to develop further legal strategy; and (2) discuss with general counsel the potential assertion of claims related to the AWTF construction project.
- C.** The next Regular Meeting is scheduled for Wednesday, April 27, 2016 at 6:00 PM.

III. Presentation:

DeHart Conservation Proposal by Tanya Dierolf and Josh Parrish of The Nature Conservancy (began at 6:14 PM): Ms. Dierolf presented an overview of a proposal for CRW to enter its DeHart properties into a conservation easement with The Nature Conservancy using Army Compatible Use Buffer (ACUB) funds through nearby Fort Indiantown Gap's (FTIG's) National Guard Training Center and explained that CRW is seeking public comments to



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provide to the Board prior to their considering action on the proposal at a future meeting – currently scheduled for April 27, 2016.

She explained that a similar proposal was previously brought to the Board wherein CRW was asked to consider selling all or a portion of the land to the Game Commission via the same funding source. The Board previously took public input into consideration and rejected the sale. Since that time, CRW has been working with FTIG to develop a proposal that would satisfy the public and Board concerns related to a sale. A conservation easement was determined to be the best option to allow for permanent protections while maintaining ownership and control by CRW.

Mr. Josh Parrish of The Nature Conservancy also spoke, along with Tom Inge from the Ward Burton Wildlife Federation and Dave Weisnicht from the PA Army National Guard who were present to answer any questions related to their roles in the proposal.

In addition to tonight's meeting, CRW is conducting a second public hearing to present the project proposal and solicit feedback, and is accepting public comments until April 8th. The second public hearing will be held on March 29th at 6:00 PM at the Hamilton Health Center at 110 South 17th Street. [Note: the location of the March 29th public hearing was subsequently changed to the Derry Street Church, 1508 Derry Street, Harrisburg, Pennsylvania. Notices were posted at the original location.] Public comments are being accepted in various formats through (1) written comment forms which have been provided in the rear of the room; (2) email at info@capitalregionwater.com; or (3) mailing written comments to 212 Locust Street, Suite 500, Harrisburg, PA 17101. A video of tonight's DeHart Property Conservation Proposal presentation, along with the public comment forms will be available on CRW's website at <http://capitalregionwater.com/dehartproposal>.

Ms. Dierolf noted that there will be no change to the extent of hunting and fishing currently permitted in designated areas of the property under this agreement.

A public outreach event "Consider the Source" has been scheduled for Saturday, May 7, 2016. This event will include litter clean-up and tours of the DeHart Facility. Transportation between CRW's customer service center and the DeHart Facility will be provided. Advance registration is required. Information is available on CRW's website at <http://capitalregionwater.com/considerthesourceday>. The floor was then opened to the public and Board for comments and questions.



Mr. Brett Zankel, 321 Clarks Valley Road, asked if the conservation easement will have any impact on the pipeline easement running through a number of residents' properties. Upon discussion, it was noted that the pipeline referred to is the 42-inch Mountainline Water Transmission Main that runs from the DeHart Facility to CRW's Water Services Center. It was noted that the conservation easement will have no impact on existing easements or rights-of-way currently in place.

Mr. Stewart also noted that CRW is in the process of reviewing those rights-of-way, along with access for the purpose of maintenance of the 42-inch Mountainline Water Transmission Main which hasn't been conducted in decades.

Mr. William Cluck stated for the public that while CRW is not legally obligated to conduct public outreach and receive comments, CRW wants to be open and transparent and make decisions based on public comment.

Mr. Cluck questioned whether the conservation easement would prohibit drone use in the air space over the watershed. Mr. Weisnicht of the PA Army National Guard answered that Fort Indiantown Gap (FTIG) already enforces a no fly zone for non-military aircraft (including drones) within a four mile radius of the air field of FTIG.

IV. Staff Reports:

The Monthly Management Report was provided to the Board in advance of the meeting and will be posted to CRW's website.

Ms. Williams explained the purpose of Agenda Item Executive A regarding CRW's proposed partnership with the City's Lead Hazard Program and explained what CRW's role would be. She also explained the purpose of the C2P2 Grant that CRW is applying for and noted that the Grant would help to offset any additional costs affiliated with the conservation easement.

Mr. Nowotarski brought the Board up-to-date on agenda items and explained that CRW is anxiously waiting to hear news on CRW's bond rating for the upcoming Water Bond Refunding.

Mr. Stewart updated the Board on the Change Orders on tonight's agenda requesting an additional 46 days on the AWTF project contracts that will extend the Substantial Completion deadline to April 29th. Upon inquiry by Mr. Kurowski about the impact of the

schedule on the milestones in the Consent Decree, Mr. Stewart confirmed that US EPA and PADEP have stated they are not interested in assessing any stipulated penalties on CRW due to the delay on the AWTF project.

Mr. Cluck asked questions on the following matters which were answered directly from the floor:

- Service leaks and water loss reported, along with an explanation of lateral lines. Is the loss the responsibility of CRW or the homeowner?
 - The homeowner is responsible for repairing the lines, however, any water that leaks prior to the home water meter is not billed to the homeowner and is included in CRW's Non-Billable Water calculation.
- Does CRW bill for water used to fight fires?
 - Ms. Williams stated not at this time, however, it may be an issue for future consideration.
- Regarding vacancy service leaks and detection. Does CRW go after landlords for non-water revenue related issues?
 - Ms. Williams noted CRW is in the process of reviewing and seeking reimbursement for shut-off and reconnection fees. Currently, there is no policy related to this loss of non-water related revenue.
- Mr. Cluck requested clarification on additional reports.
 - Ms. Williams noted that some of the exhibits to the monthly reports will be reformatted in the near future.
- Mr. Cluck requested that the Board be provided with a report on the status of the 40 sinkholes and whether more have been identified. (At the time of the transition, it was reported that there were approximately 40 sinkholes.)
 - Mr. Stewart noted that he is preparing a presentation for the Board to update them on the status of the sinkhole issue, but wanted the Board to be aware that the number of sinkholes has grown from 40 to 120. Mr. Stewart reported that CRW has been addressing the urgent sinkholes on an as-needed basis.
- Mr. Cluck requested the Sustainability Action Plan discussed on Page 4 of the Management Report be circulated to the Board.
 - Ms. Williams noted that the Sustainability Action Plan is currently in draft form and will be provided when it has been fully vetted by staff.
- Who is attending the National Water Policy Fly-in meeting in Washington D.C. on behalf of CRW?
 - Ms. Williams noted that she is attending on behalf of CRW.

- Mr. Cluck noted he is anxious for Ms. Williams to bring information back to Harrisburg and to keep the City advised, as the Environmental Advisory Council (EAC) has a particular interest in the environmental justice issues as there are grant monies available.
- The event reported under Community Relations of the Management Report regarding Gifford Pinchot Legacies relates to an event that is to be held on April 3rd. Please make the correction as the date is currently reported as April 5th.
- CSO signage implementation. US EPA's response has been that the signs be placed as soon as possible.
 - Mr. Stewart noted that temporary signs will be in place in April, and the permanent signs will be in place in August.
- Has a budget been established for the Strategic Partnership events identified on Page 5 of the Management Report?
 - Ms. Williams stated she is in the process of developing a budget for sponsorship and will have that for the Board in the near future.
- He also requested that the font size on the Grant Report be increased.

There were no other questions from Board members.

V. 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.

VI. Minutes of Previous Meetings:

A motion was made by Ms. Skotedis, seconded by Mr. Cluck, that the Minutes of the February 24, 2016 Regular Meeting be approved as presented. The motion was unanimously approved.

VII. Modifications or Deletions to the Agenda: None.

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



IX. Old/New Business:

Executive:

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

A. Partnership with City's Lead Hazard Programs:

Motion: The Board agrees to partner with the City of Harrisburg's Lead Hazard Reduction and Lead Safe Home Programs to provide education and testing for lead in drinking water with a not-to-exceed budget of \$3,000.00 over a 3-year period, excluding staff time. Funding Source: Water #60231513-51300 - Wtr Mgmt Medical/Laboratory.

Mr. Cluck stated that it is difficult to find information on the City's website dealing with their Lead Hazard Program. Ms. Williams noted that CRW has offered to provide City information on the program at the Customer Service Center along with CRW's Lead Fact Sheet.

Ms. Williams stated that it is CRW's intention that in addition to the partnership with the City, the not-to-exceed budget includes testing of drinking water at all private, public and charter elementary schools in the CRW water service area. Currently, it costs approximately \$30.00 for the general public to have water professionally tested. CRW is able to contract for the same testing for less than \$10.00.

The motion was unanimously approved.

Finance:

A motion was made by Mr. Cluck, seconded by Mr. Kurowski, that the following items be approved by consent Finance Items A, B, C, D and E:

A. FY2016 Water and Wastewater Rate Study and Consulting Engineer's Annual Report(s) (CEARs):

Motion: The Board authorizes the CEO to approve the engagement of ARCADIS to prepare the FY2016 Water and Wastewater Rate Study and the CEARs for both Water and Wastewater in the total amount not-to-exceed \$119,000.00.

Water #60504541-54103 – Wtr Financial Advisor Fees and Wastewater #80504541-54103 – Ww Financial Advisor Fees.

B. FY2016 As-Needed Services:

Motion: The Board authorizes the CEO to approve the engagement of ARCADIS to provide as-needed services in FY2016 as outlined on the Rate Schedule attached to the proposal, dated February 1, 2016 in an amount not-to-exceed \$12,000. Water #60504541-54103 – Wtr Financial Advisor Fees and Wastewater #80504541-54103 – Ww Financial Advisor Fees.

C. 2016 PENNVEST Application for Headworks Screening Project:

Motion: The Board authorizes the CEO and the CFO to take all actions necessary to pursue PENNVEST funding for the Headworks Screening Project including application and submittal of a request for a letter of no prejudice in the amount of \$5,500,000.

D. RESOLUTION NO. 2016-003 – 2016 PENNVEST Application for Headworks

Screening Project: The Board authorizes the CEO and the CFO to execute and sign all certifications and documentation required in connection with the PENNVEST Financial Assistance Application in the amount of \$5,500,000 PENNVEST loan application for the Headworks Screening Project.

E. Department of Conservation and Natural Resources C2P2 Grant:

Motion: The Board authorizes the CEO to execute the Memorandum of Understanding with the Manada Conservancy for the Department of Conservation and Natural Resources C2P2 Grant Application. Funding Source: N/A.

The motion was unanimously approved.

Engineering:

A motion was made by Mr. Kurowski, seconded by Ms. Skotedis, that the following items be approved Engineering Items A1, A2 and A3:

A. AWTF Improvements Project – Change Orders (Contract Nos. 1, 2 & 3):

1. Contract No. 1 (PC Construction) – Change Order No. 29:

Motion: The Board authorizes the Director of Engineering's execution of Change Order No. 29 to Contract No. 1 in the amount of \$0 with the addition of 46 calendar

days to substantial completion and 46 calendar days to final completion for delays related to the need to relocate a critical process structure ("Filtrate Pumping Station"), as a result of unforeseen conditions in the design location, including an existing fiber optic line and incorrect pipe elevations. Funding Source: Wastewater #80-13000-00035 – Ww BNR Upgrade Project – 2014.

2. Contract No. 2 (Pagoda Electrical) – Change Order No. 24:

Motion: The Board authorizes the Director of Engineering's execution of Change Order No. 24 to Contract No. 2 in the amount of \$0 with the addition of 46 calendar days to substantial completion and 46 calendar days to final completion for delays related to the need to relocate a critical process structure ("Filtrate Pumping Station"), as a result of unforeseen conditions in the design location, including an existing fiber optic line and incorrect pipe elevations. Funding Source: Wastewater #80-13000-00035 – Ww BNR Upgrade Project – 2014.

3. Contract No. 3 (G.F. Bowman) – Change Order No. 4:

Motion: The Board authorizes the Director of Engineering's execution of Change Order No. 4 to Contract No. 3 in the amount of \$0 with the addition of 46 calendar days to substantial completion and 46 calendar days to final completion for delays related to the need to relocate a critical process structure ("Filtrate Pumping Station"), as a result of unforeseen conditions in the design location, including an existing fiber optic line and incorrect pipe elevations. Funding Source: Wastewater #80-13000-00035 – Ww BNR Upgrade Project – 2014.

The motion was unanimously approved.

Operations:

A motion was made by Mr. Kurowski, seconded by Mr. Waters, that the following item be approved Operations Item A:

A. Authorization to Dispose/Salvage Vehicles –Wastewater Division:

Motion: The Board authorizes the CEO to take any appropriate action and to sign any necessary documents required to dispose and/or salvage the following vehicles and/or equipment within the Wastewater Division:

G-02: 1990 International Dump Truck – VIN #1HTSDTVR2LH261578

G-09: 1998 GMC Jimmy SUV – VIN #1GKDT13W4W2543643

The motion was unanimously approved.

XI. Board Comments:

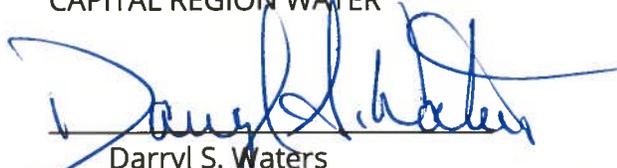
Mr. Cluck thanked the staff for answering all of his questions tonight. Mr. Waters thanked the staff for addressing all of Bill's questions. There were no further comments.

XII. Public Comment - Non-Agenda Items: None.

XIII. Adjournment:

A motion was made by Mr. Kurowski, seconded by Mr. Cluck, that the Board adjourn the meeting at 7:18 PM. The motion was unanimously approved.

CAPITAL REGION WATER



Darryl S. Waters
Secretary