



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 (via speakerphone)
Garvey Presley, Jr.

Staff:

Shannon M. Gority, 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
Tanya Dierolf, Sustainability Manager
Andrew Bliss, Community Outreach Manager
Luis Gonzalez-Torres, GIS Analyst
Mike McFadden, Superintendent – Drinking Water
Jess Rosentel, Superintendent – Wastewater
Yuri Evans, GIS Manager

Consultants:

Scott T. Wyland, Esquire (Salzmann Hughes, P.C.)
Ed Ellinger, P.E. (HRG)
Mike Mehaffey, P.E. (Gannett Fleming)
John Hammell, P.E. (CDM Smith, Inc.)
Randall L. Henne, P.E. (CDM Smith, Inc.)
Robert Koechert, P.E. (JMT)

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

The meeting was called to order by Chairperson Kurowski at 6:14 PM.

Chairperson Kurowski noted that Board members Kurowski, Cluck, Skotedis and Presley were present and that Mr. Waters would be participating via conference call.

II. Chairperson's Announcements:

- A.** Tonight's meeting was originally scheduled for April 26, 2017 at 6:00 PM. Notice of tonight's meeting change was properly advertised in the Patriot-News and will be attached to tonight's Minutes as Exhibit "A".
- B.** An executive session under Section 708(a) of the Sunshine Act was held on March 29, 2017 immediately following the CRW Monthly Board Meeting to discuss matters with general counsel in regards to litigation.
- C.** An executive session under Section 708(a) of the Sunshine Act was held today at 5:00 PM to discuss matters with general counsel in regards to real estate and personnel.
- D.** The next Regular Meeting is scheduled for Wednesday, May 24, 2017 at 6:00 PM and is open to the public.

III. Presentations

GIS Data Collection & Implementation Plan - 2017 Update (Yuri Evans) 6:16 - 6:50 PM.

Mr. Yuri Evans, CRW's GIS Manager, provided the Board with an update on the various phases of the GIS System, outlining goals of the system and recommendations on where CRW will go from here.

He stated that CRW field staff have tablets with Cityworks installed and are able to access all data, and make and view live updates to the GIS and Cityworks system..

Mr. Evans recognized Luis Gonzales-Torres, CRW's GIS Analyst, for the work he did in creating Public Facing Mapping Applications available on CRW's website. The "Hydrant Flushing Map" and "Street Sweeping Map" show real-time data about the progress of these efforts.

Upon questioning, Mr. Evans noted that not all GIS data is provided on the website for security purposes, but that it is available to consultants, other utilities, or local governments by contacting Mr. Evans who provides the information free of charge together with instructions for use.

Mr. Cluck asked "How does the GIS System positively impact CRW?" Mr. Stewart noted that an Asset Management presentation is currently scheduled for the May 24, 2017 Board meeting which will further address how the GIS System is impacting CRW. He also noted that while CRW's field maintenance crews are out performing daily maintenance, they are collecting data that is constantly providing an up-to-date assessment of our system. This up-to-date information has been allowing CRW to have a current assessment of our system. We now we have a sophisticated system with live data instead of using outdated paper maps. CRW continues to televise lines and we are much more knowledgeable about the current status when CRW staff responds to water or sewer related breaks.

Mr. Cluck also asked questions regarding the hydrant flushing program:

- How is CRW addressing the issue of pollutants that have been flushed due to the hydrant flushing? Mr. McFadden stated that 360 hydrants have been identified within Cityworks that deal with the stormwater system. CRW's staff have been instructed that MS4 hydrants need to be dechlorinated.
- How is CRW handling the dechlorination of water prior to flushing the hydrants? Mr. McFadden stated that dechlorination tablets are being used in the process while the hydrant is flushing.
- How much has the dechlorination process cost? Mr. McFadden stated approximately \$2,000 has been spent for the flushing units and dechlorination tablets.

IV. Committee Reports

Budget and Finance Committee: Ms. Skotedis asked questions of staff and indicated a concern for the progress of the budgeted capital improvements for 2017.

Budget and Finance Committee members Skotedis and Kurowski asked that Directors determine what resources are needed to make better progress on capital projects and report back to the Board. They also asked that better reporting methods be developed so that progress is more accurately represented than has been in the past. Ms. Skotedis noted that this is a priority issue from the Board and offered her services as a resource, if needed.

Personnel Committee: Mr. Cluck reported that the Personnel Committee has not met since the last meeting and personnel issues were discussed within executive session. The Committee will possibly meet Tuesday, May 9, 2017.

V. Staff Reports:

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

Ms. Gority reported that CRW obtained an A+ rating from Standard & Poors for CRW's Sewer Bonds.

Ms. Skotedis asked Mr. Nowotarski to provide the Board with copies of the Official Statement for the Sewer Bond closing once it is completed. Mr. Cluck asked for a paper copy.

Mr. Cluck commended Mr. Bliss and his staff for a great job of utilizing and responding to messages on "Next Door" and for using it to get the message out about the street sweeping changes that began on April 17th. Mr. Nowotarski noted that while there were start up issues, they were resolved and the newer street sweeping equipment has cleared a substantial amount of debris from the streets that will no longer be making its way into our system.

Mr. Stewart noted the following:

- CRW's crews are in the process of making an emergency repair to a location at Cameron and Kittatinny Streets for a collapsed sewer line. This is a heavily traveled area so work will begin in this area beginning tonight into tomorrow morning.
- Bids were opened for the Headworks Screening Project and there are issues with the M/W/DBE levels. The low bidder came in well below the expected 20% MPL levels. Since this is the first project since the M/W/DBE Plan was adopted, CRW will be taking a very close look at the bids prior to any award recommendation at the May 24th meeting.

Mr. Cluck asked and received responses related to the written Management Report:

- Has PennLive covered any story on CRW's acquisition of Street Sweeping Services in Harrisburg? Mr. Bliss stated no, but he was sure that they would be happy to cover the story once all of the kinks are worked out.
- What corrective action was done regarding the issue of Arooga janitorial staff's disposal of cleaning solutions into a storm inlet? Mr. Rosentel advised that a letter was sent to Aroogas notifying them that they are in violation of the City Code and requested a corrective action report which was received and is satisfactory to CRW's Pre-treatment Coordinator.

- What enforcement power does CRW have when someone dumps materials into a storm drain or inlet? Mr. Rosentel stated that CRW advises the violator that the dumping of such materials is in violation of the City Code.
- Was the Adrian Street grease obstruction issue a residential or commercial establishment? Mr. Rosentel noted it was a residential issue.
- Can CRW be cited by PADEP for the Adrian Street event even though PADEP was notified? Mr. Rosentel stated that CRW could be cited for this because it was a sanitary sewer overflow (SSO).

Mr. Presley asked and received responses related to the written Management Report:

- The Drinking Water Monthly Report states that 247.2 million gallons (MG) were withdrawn for treatment, however, only 216.8 MG of water was treated. What happened to the other 30 MG of water? Mr. McFadden indicated two factors: (1) some of the water is utilized in the treatment process, and (2) there is an ongoing meter discrepancy being investigated between the DeHart Reservoir and the Water Treatment Plant.

There were no questions by Board members Kurowski, Skotedis or Waters.

Minutes of Previous Meetings:

A motion was made by Mr. Waters, seconded by Mr. Presley, that the Minutes of the March 29, 2017 Regular Meeting be approved as presented.

The motion was unanimously approved.

VI. Modifications or Deletions to the Agenda: None.

VII. Public Comments - Agenda and/or Non-Agenda Items (3 minutes): None.

VIII. Old/New Business:

Executive:

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

A. Resolution No. 2017-079 – Adoption of Minimum Participation Levels for the Water Services Center Chlorine Scrubber Installation:

Motion: The Board approves Resolution No. 2017-079 which establishes the following minimum participation levels for the Electrical Contract for the Water Services Center Chlorine Scrubber Installation:

MBEs – 5.0% of the total dollar amount of the Electrical Construction contract; and

Other DBEs (WBE, Veteran, Service-Disabled Veteran or LGBT Business Enterprise) – 2.0% of the total dollar amount of the Electrical Construction contract.

B. Resolution No. 2017-081 – Adoption of Minimum Participation Levels for the 2017 Water Main Replacement Project:

Motion: The Board approves Resolution No. 2017-081 which establishes the following minimum participation levels for the 2017 Water Main Replacement Project:

MBEs – 15% of the total dollar amount of the General Construction contract; and

Other DBEs (WBE, Veteran, Service-Disabled Veteran or LGBT Business Enterprise) – 5% of the total dollar amount of the General Construction contract.

C. Resolution No. 2017-082 – Adoption of Minimum Participation Levels for the Parks Project:

Motion: The Board approves Resolution No. 2017-082 which establishes the following minimum participation levels for the Parks Project:

MBEs – 15% of the total dollar amount of the General Construction contract; and

Other DBEs (WBE, Veteran, Service-Disabled Veteran or LGBT Business Enterprise) – 5% of the total dollar amount of the General Construction contract.

The motion was unanimously approved.

Administrative:

A motion was made by Mr. Cluck, seconded by Mr. Presley, that the following items be approved by consent, Administrative Items A. and B.:

A. Resolution Nos. 2017-068 through 2017-076 for Destruction of Records:

Motion: The Board approves Resolution Nos. 2017-068 through 2017-076 for destruction of records as detailed in Exhibit "A" of Resolution Nos. 2017-068, 2017-069, 2017-075 and 2017-076, and Exhibit "B" of Resolution Nos. 2017-070 through 2017-074 of each Resolution.

B. H2O PA Grant No. C000051333 - Fifth Amendment:

Motion: The Board ratifies the CEO and CFO's execution of the Fifth Amendment to the H2O Grant No. C000051333 in the amount of \$141,760 that changes the Scope of Work in accordance with Appendix A. Funding Source: N/A.

The motion was unanimously approved.

Finance:

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

A. Cost of Service Study:

Motion to Rescind: The Board rescinds the motion approved at the March 29, 2017 meeting authorizing the CFO to execute a Professional Services Agreement with Arcadis for completing a Miscellaneous Fee Cost of Service Study for an amount not-to-exceed \$15,000. Funding Source: Water #60504541-54106 - Wtr Rate Study Consultant, Wastewater #80504541-54106 - Ww Rate Study Consultant.

B. Cost of Service Study:

Motion: The Board authorizes the CFO to execute the Professional Services Agreement with Raftelis for completing a Miscellaneous Fee Cost of Service Study for a lump sum amount of \$15,000. Funding Source: Water #60504541-54106 - Wtr Rate Study Consultant, Wastewater #80504541-54106 - Ww Rate Study Consultant.

C. Stormwater Funding Implementation Support:

Motion to Rescind: The Board rescinds the motion approved at the March 29, 2017 meeting authorizing the CFO to execute the Professional Services Agreement with Arcadis for Stormwater Funding Implementation Support in an amount not-to-exceed \$126,400. Funding Source: Wastewater #80800801-80100-00071 - Ww Stormwater/GSI Projects - Desi.

D. Stormwater Funding Implementation Support:

Motion: The Board authorizes the CFO to execute the Professional Services Agreement with Raftelis for Stormwater Funding Implementation Support in a lump sum amount of \$126,000. Funding Source: Wastewater #80800801-80100-00071 – Ww Stormwater/GSI Projects - Desi.

The motion was unanimously approved.

A motion was made by Mr. Cluck, seconded by Mr. Presley, that the following item be approved, Finance Item E.:

E. FY2017 As-Needed Services - Raftelis:

Motion: The Board authorizes the CFO to approve the engagement of Raftelis to provide financial and technical assistance on an as-needed basis for FY2017 under the Rate Schedule provided in the April 26, 2017. Funding Source: Admin #10004541-54103 – Adm Financial Advisor Fees.

The motion was unanimously approved.

A motion was made by Mr. Cluck, seconded by Ms. Skotedis, that the following item be approved, Finance Item F.:

F. 2016 Water Rate Covenant Audit - Maher Duessel:

Motion: The Board authorizes the CFO to execute the Engagement Letter with Maher Duessel, dated April 27, 2017 to perform the 2016 Rate Covenant Audit of the Water System Bonds at a cost not to exceed \$5,100. Funding Source: Water #60504541-54103 – Wtr Financial Advisor Fees.

It was noted for the record that the 2016 Audit field work will begin on May 8, 2017.

The motion was unanimously approved.

Engineering:

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

- A. Professional Services for AWTF Headworks Screening Project – Amendment No. 1:**
Motion: The Board authorizes the Director of Engineering to execute Amendment No. 1 with GHD for additional design scope and construction phase services for the AWTF Headworks Screening project for a not-to-exceed fee of \$105,818. Funding Source: Wastewater #80800801-80100-00019 – Ww Headworks Screen Design/Cons.

The motion was unanimously approved.

A motion was made by Mr. Kurowski, seconded by Mr. Presley, that the following items be approved by consent, Engineering Items B., C1., C2., C3., D1. and D2.:

- B. Cameron & Calder Street - Priority Sewer Replacement Project – Change Order No. 1:**

Motion: The Board authorizes the Director of Engineering to execute Change Order No. 1 to the Cameron & Calder Street Priority Sewer Replacement Project with Shiloh Paving, Inc. in the amount of \$48,456.80 Funding Source: Wastewater #80800801-80100-00032 – Ww Sanitary Sewer Collection System.

- C. PennDOT Cost Sharing for Herr Street SR 3018 – Section 001:**

- 1. Authorization to Accept Proposals for Design and Cost Sharing Agreements with PennDOT:**

Motion: The Board authorizes the Director of Engineering to (1) execute four proposals for design with McTish, Kunkel & Associates; (2) execute two Offer Letters; and (3) execute two Cost Sharing Agreements a/k/a Utility Reimbursement Agreements with PennDOT to perform water and sewer utility relocations to accompany the reimbursement application packages to PennDOT. Funding Source: Wastewater #80800801-80100-00026 – Ww Collection System - MS4 Rehab & Replacement, Water #60800801-80100-00016 – Wtr Water Main Replacement.

- 2. Resolution No. 2017-077 – PennDOT Cost Sharing for Herr Street Water Utility Relocations:**

Motion: The Board approves Resolution 2017-077 which adopts cost sharing with PennDOT for water utility adjustments associated with the Herr Street bridge replacement at Paxton Creek. CRW will be responsible for \$41,479.65, which is 25% of the engineering and construction costs to adjust CRW water utilities.

3. **Resolution No. 2017-078 – PennDOT Cost Sharing for Herr Street Sewer Utility Relocations:**

Motion: The Board approves Resolution 2017-078 which adopts cost sharing with PennDOT for sewer utility relocations associated with the Herr Street bridge replacement at Paxton Creek. CRW will be responsible for \$43,692.26, which is 25% of the engineering and construction costs to adjust CRW sewer utilities.

D. **PennDOT Cost Sharing for Industrial Road:**

1. **Authorization for Cost Sharing Agreement with PennDOT:**

Motion: The Board authorizes the Director of Engineering to execute the Offer Letter and Cost Sharing Agreement a/k/a Utility Reimbursement Agreement with PennDOT to perform water and sewer utility relocations associated with the Industrial Road repaving and widening project to accompany the reimbursement application package to PennDOT. Funding Source: Wastewater #80800801-80100-00026 – Ww Collection System - MS4 Rehab & Replacement, Water #60800801-80100-00016 – Wtr Water Main Replacement.

2. **Resolution No. 2017-080 – PennDOT Cost Sharing for Industrial Road Water and Sewer Utility Relocations:**

Motion: The Board approves Resolution 2017-080 which adopts cost sharing with PennDOT for water and sewer utility relocations associated with the Industrial Road repaving and widening project. CRW will be responsible for \$9,702.50, which is 25% of the engineering and construction costs to adjust CRW water and sewer utilities.

The motion was unanimously approved.

A motion was made by Mr. Kurowski, seconded by Ms. Skotedis, that the following item be approved, Engineering Item E.:

E. **DeHart Boundary Survey – Contract Amendment:**

Motion: The Board authorizes the CEO to execute a contract amendment with JMT to prepare a legal description and survey of the Minimal Protection Area on the DeHart Property for a not-to-exceed fee of \$4,875. Funding Source: Water #60504541-54104 – Wtr Engineering Services.

The motion was unanimously approved.

A motion was made by Mr. Kurowski, seconded by Mr. Presley, that the following item be approved, Engineering Item F.:

F. Professional Services for Energy Management Planning and Optimization:

Motion: The Board authorizes the Director of Engineering to engage JMT to conduct an Energy Management Study and develop an optimization program in an amount not-to-exceed \$250,000. Water #60504541-54104 - Wtr Engineering Services, Wastewater #80504541-54104 - Ww Engineering Services.

Mr. Stewart thanked Ms. Dierolf for her work on the Energy Management Project. He noted that, while there is an initial expense of \$250,000, Mr. Stewart expects CRW will realize savings well in excess of \$250,000. Ms. Dierolf advised that CRW is currently generating Renewable Energy Credits (RECs) at the AWTF for its Cogeneration Facility and at the Water Services Center for the Hydroturbine.

The motion was unanimously approved.

IX. Board Comments:

Mr. Presley welcomed Mr. Wyland and stated that his participation in today's Executive Session was very helpful.

Mr. Cluck provided several comments for the record:

- He is now the Vice Chairman of the Pennsylvania Bar Association's Environmental Law Section. One of their missions is to focus on diversity; so they will be reaching out to law schools to encourage diversity and minority students to get into environmental law.
- The City's arborist has resigned and he is concerned how this may impact CRW.
- The recent release of the Attorney General's 82-page document related to an investigation of Mayor Steven Reed released during a press conference prompted him to make the following comments:
 - CRW (formerly The Harrisburg Authority) authorized a Forensic Investigation back in 2012. The Forensic Investigation lead to Senatorial Hearings held back in 2012 which led to a number of proposed reforms to legislation, none of which have become law. The State Senate sent a referral letter to our District Attorney who "sat on the issue" for six months before noting he had a conflict of interest. The District Attorney then referred the matter to the State Attorney General and now the statute of limitations to go after an elected official who leaves office expired in January 2015.

- When he testified in front of the Grand Jury in Pittsburgh in November 2014, two months before the statute ran out, he was led to believe he was a cleanup witness and that they were almost done. While he doesn't know the reason why charges were not brought before the statute of limitations expired, and after reading the entire document, he feels the document tells the rest of the story.
- "For anyone who has read the forensic investigation, specific issues were teed up and then the trail stopped." CRW officials felt that a Grand Jury with subpoena power would finalize the story - e.g. was City Council bribed, how did DCED approve the self-liquidating financing, etc. He stated that it was disappointing that the Attorney General failed to address many of the issues that were raised, and in particular, the 2007 Resource Recovery Financing was not addressed at all.
- A civil law suit will be brought. It was drafted over a year ago and is awaiting authorization from the Attorney General, because in order for the Commonwealth to be a party to a lawsuit, the Attorney General's office has to sign off for form and legality, and the Attorney General's office has so far refused to sign off on the Complaint that was drafted over a year ago.
- He thought there would be an announcement last week that the Complaint was being filed and suspects some politics may be going on to announce the civil case. An editorial that appeared in the Sunday Patriot News referred to a civil law suit but that is wrong. Mayor Papenfuse gave the impression that he is bringing a civil law suit and that is wrong.
- CRW as a Board previously assigned our rights to the Commonwealth, so CRW has a vested interest in this matter. Particularly CRW would like to recoup the \$1.5M spent on the Forensic Investigation. Those funds would be unrestricted funds of CRW and he is looking forward to CRW receiving those funds and thought it was important to bring the matter onto the record.

Mr. Cluck stated that he was speaking individually and not as a representative of any other Board member.

Board members Skotedis, Waters and Kurowski also welcomed Mr. Wyland and did not provide any additional comments.

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



XI. Adjournment:

A motion was made by Ms. Skotedis, seconded by Mr. Presley, for the Board to adjourn the meeting at 7:45 PM. The motion was unanimously approved.

CAPITAL REGION WATER

A handwritten signature in blue ink that reads "Darryl S. Waters". The signature is written in a cursive style and is positioned above a horizontal line.

Darryl S. Waters
Secretary



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Exhibit "A"

0008140522-01

Ad Content Proof

The **Regular Meeting of Capital Region Water** scheduled for Wednesday, April 26, 2017 at 6:00 PM, has been rescheduled to Tuesday, May 2, 2017 at 6:00 PM in the Locust Court Building, 212 Locust Street, Harrisburg, Pennsylvania.

CAPITAL REGION WATER
Shannon M. Gority, P.E., CEO