



Regular Meeting (6:00 PM)

In Attendance:

Board:

J. Marc Kurowski, P.E., Chairperson
Crystal A. Skotedis, CPA, CFE, Vice Chairperson/Treasurer
Garvey Presley, Jr., Secretary
Andrew M. Enders, Assistant Secretary/Treasurer
Alisa E. Harris

Staff:

Jack Lausch, Director of Administration
David Nowotarski, CPA, Chief Financial Officer
David Stewart, P.E., Director of Engineering
Mike McFadden, Superintendent – Drinking Water
Jess Rosentel, Superintendent – Wastewater
Karen McKillip, Archivist
Tammie Sheaffer, Office Manager
Claire Maulhardt, City Beautiful H2O Program Manager
Ken Freysinger, Wastewater Field Operations Supervisor
Sheri Berilla, Asset Manager
Yuri Evans, GIS Manager
Andrew Bliss, Community Outreach Manager
Tanya Dierolf, Sustainability Manager
Julie Peters, Controller
Alesha Vonada, Project Accounting Manager

Consultants:

Scott Wyland, Esquire (Salzmann Hughes, P.C.)
Ed Ellinger, P.E. (HRG)
Mike Mehaffey, P.E. (Gannett Fleming)
Mike Olivier (WRA)
Randall Henne, P.E. (CDM Smith, Inc.)
John Hammell, P.E., (CDM Smith, Inc.)
Melvin Johnson (MT Johnson Group, LLC)
Holly Hudson (Cosmos Technologies, Inc.)
Josh Parrish (The Nature Conservancy)
Merritt Reitzel, Esq. (Schiffman Sheridan & Brown, P.C.)
Steven Schiffman, Esq. (Schiffman Sheridan & Brown, P.C.)



Others:

Dave Weisnicht (PA Army National Guard)
Lt. Christopher McDevitt (PA Army National Guard)
Tom Inge (Ward Burton Wildlife Federation)
Ward Burton (Ward Burton Wildlife Federation)
Pat Rickard (Pennsylvania Dept. of Military and Veteran Affairs – PADMVA)
Daryl Valley (Pennsylvania Dept. of Military and Veteran Affairs – PADMVA)
LTC Lane Marshall (Ft. Indiantown Gap)
Paul McNamee, P.E., (KCI Technologies, Inc.)
Neil Grover, Esquire (City of Harrisburg)
Karl Singleton (Pennsylvania Diversity Council)
Tim Dean, P.E. (Amec Foster Wheeler)

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

The meeting was called to order by Chairperson Kurowski at 6:11 PM.

Chairperson Kurowski noted that Board members, Skotedis, Presley, and new Board members, Harris and Enders, were present.

II. Chairperson's Announcements:

- A.** An executive session under Section 708(a) of the Sunshine Act was held today at 5:00 PM to discuss matters with general counsel regarding potential litigation and personnel.
- B.** The next Regular Meeting is scheduled for Wednesday, March 28, 2018 at 6:00 PM in the Locust Court Building, 212 Locust Street, Harrisburg, Pennsylvania, and is open to the public.
- C.** Last night, Harrisburg City Council approved the reappointment of Board members, Crystal Skotedis and Garvey Presley, for additional five-year terms, along with the appointment of two new Board members, Andrew M. Enders and Alisa E. Harris. Welcome to new Board members, Andrew M. Enders and Alisa E. Harris. The appointments and reappointments now complete Capital Region Water's Board of Directors with terms expiring as follows:

- J. Marc Kurowski – Term expires January 4, 2019
- Andrew M. Enders – Term expires January 4, 2020
- Alisa E. Harris – Term expires January 4, 2021
- Crystal A. Skotedis – Term expires January 4, 2022
- Garvey Presley – Term expires January 4, 2023

- D.** With the appointments of Mr. Enders and Ms. Harris, Capital Region Water has two vacant positions of Vice Chairperson and Secretary, and there will be a Special Order of Business item on tonight's Agenda.
- E.** Mr. Kurowski thanked previous Board members, Bill Cluck and Darryl Waters, for their service to the community as they were very engaged, passionate, and devoted to Capital Region Water and its Mission. He noted that since Messrs. Cluck and Waters were not in attendance this evening he wanted them to know that CRW has a gift for them in appreciation of their service. Staff was instructed to notify Mr. Cluck and Waters.

III. Special Order of Business - Election of Officers:

At this time, Mr. Kurowski accepted nominations for the position of Vice Chairperson and Secretary.

A. Election of Officers:

1. Vice Chairperson:

Mr. Presley nominated Crystal Skotedis for the office of Vice Chairperson. There being no further nominations, the nominations were closed. The nomination for Ms. Skotedis as Vice Chairperson was unanimously approved.

2. Secretary:

Ms. Skotedis nominated Garvey Presley for the office of Secretary. There being no further nominations, the nominations were closed. The nomination for Mr. Presley as Secretary was unanimously approved.

A motion was made by Ms. Harris, seconded by Mr. Kurowski, that the following item be approved, Special Order of Business, Item B.:

B. Appointment of Assistant Secretary-Treasurer:

Motion: The Board appoints Andrew Enders, as Assistant Secretary-Treasurer of Capital Region Water for calendar year 2018.

The motion was unanimously approved.

Mr. Kurowski congratulated the Board Members for their positions in 2018.

A motion was made by Mr. Presley, seconded by Mr. Kurowski, that the following item be approved, Special Order of Business, Item C.:

C. Resolution No. 2018-035 for Establishment of 2018 Board Committees:

Motion: The Board approves Resolution No. 2018-035 which adopts the 2018 Board Committees appointing Garvey Presley and Crystal Skotedis to the Personnel Committee.

The motion was unanimously approved.

A motion was made by Mr. Kurowski, seconded by Ms. Skotedis, that the following items be approved by consent, Special Order of Business, Items D., E. and F.:

D. Update to 2018 Signature Cards with First National Bank:

Motion: The Board authorizes the Chairperson, Vice Chairperson, Secretary, Treasurer, and CFO to execute the appropriate Bank Resolution and updated Signature Cards with First National Bank as of February 28, 2018.

E. Update to 2018 Signature Cards w/M & T Bank Acct #9861684190 and 986168208:

Motion: The Board authorizes the Chairperson, Vice Chairperson, Secretary, Treasurer, and CFO to execute the appropriate Bank Resolution and updated Signature Cards with M & T Bank as of February 28, 2018.

F. Update to 2018 Signature Cards w/PNC Lockbox:

Motion: The Board authorizes the Chairperson, Vice Chairperson, Secretary, Treasurer, and CFO to execute the appropriate Bank Resolution and updated Signature Card with PNC Bank relative to the Lockbox as of February 28, 2018.

The motion was unanimously approved.

A motion was made by Mr. Kurowski, seconded by Mr. Presley, that the following item be approved, Special Order of Business, Item G.:

G. Resolution No. 2018-036 for Authorizing and Directing Issuance of CRW's Water Revenue Bonds, Series of 2018:

Motion: The Board approves Resolution No. 2018-036 authorizing and directing issuance of CRW's Water Revenue Bonds, Series of 2018 or similar designation, in a Principal Amount not-to-exceed \$80,000,000 (the "2018 Bonds").

Mr. Nowotarski explained the purpose of the Resolution regarding the financing and how it will impact the 2008 Water Revenue Bonds and the addition of \$5 Million for 2018-2019 Capital Improvement Projects, with projected savings to CRW of approximately \$7 Million.

The motion was unanimously approved.

IV. Committee Reports:

Personnel Committee: No report.

Budget and Finance Committee: No. report.

Mr. Nowotarski introduced the newest member of the Finance Department, Alesha Vonada, Project Accounting Manager.

V. Management Report:

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

Ms. Skotedis requested a general update on the expenditures of Capital Improvement Projects. Mr. Stewart explained that at this date, invoices are still for 2017 expenditures, so the expense side of the Capital Improvements Project Report seems skewed low because of the delay between execution of work and payment processing. Subsequent months' reports will begin to accurately reflect work being done.

There were no further questions or comments from other Board members.

VI. Minutes of Previous Meetings:

A motion was made by Mr. Presley, seconded by Ms. Skotedis, that the Minutes of the January 24, 2018 Regular Meeting be approved as presented.

The motion was approved with Ms. Harris and Mr. Enders abstaining from the vote.

VII. Modifications or Deletions to the Agenda: None.

VIII. Public Comment - Agenda Items (3 Minutes): None.

IX. Old/New Business:

Executive:

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

A. DeHart Conservation Transaction Counsel:

Motion: The Board authorizes the Chairperson to execute an amended Representation Agreement with Schiffman, Sheridan & Brown, P.C. in an amount not-to-exceed \$25,000. Funding Source: Water #60004541-54100 - Wtr Legal Services.

The motion was unanimously approved.

A motion was made by Mr. Kurowski, seconded by Ms. Skotedis, that the following items be approved, Executive Items B1. and B2.:

B. DeHart Conservation Easement – Round 2:

1. Second Addendum to the Purchase and Sale Agreement for Conservation Easement:

Motion: The Board authorizes the Chairperson to execute the Second Addendum to the Purchase and Sale Agreement for Conservation Easement. Funding Source: N/A.

2. Amended Conservation Easement and associated documentation:

Motion: Consistent with Resolution No. 2016-004, the Board authorizes the Chairperson to execute the Amended Conservation Easement and all associated documentation necessary to effectuate its terms. Funding Source: N/A.

Ms. Skotedis requested clarification that the Addendum is to add additional acreage from the Boundary Survey. Mr. Stewart confirmed that statement and added that there will also be a Round 3 once the survey is completed and the Deed is recorded. The Addendum being voted on tonight is adjusted for work-to-date.

Ms. Dierolf stated that the Amended Conservation Easement serves the following purpose:

- Includes the additional acreage of the property;
- Clarifies the minimum protection areas that have been surveyed and marked; and
- Upon review of the easement language by the National Guard Bureau, they have updated their third-party beneficiary language so the document that was previously received by the Board clarifies the new third-party language provided by the Army National Guard.

Ms. Dierolf confirmed that all language revisions have been reviewed by legal counsel and the copies provided tonight are ready for approval and execution by the Board.

Mr. Kurowski thanked all the parties involved for their collaborative efforts bringing this matter to the Board and finalization of the project over the past several years. Both Board members, Presley and Skotedis, stated that it has been an honor working with all parties who made this transaction very easy for Board members to understand.

The motion was unanimously approved.

Administrative:

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

A. Resolution Nos. 2018-018 through 2018-034 for Destruction of Records:

Motion: The Board approves Resolution Nos. 2018-018 through 2018-034 for destruction of records as detailed in Exhibit "A" of each Resolution.

The motion was unanimously approved.

Finance:

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

A. 2018 Engagement of Bond Counsel - Cohen & Grigsby:

Motion: The Board authorize the CFO to approve the continued engagement of Cohen & Grisby to provide Bond Counsel legal services for FY2018, as outlined in the Cohen & Grisby's Proposal, dated January 24, 2018. Funding Source: Admin #10504541-45100 – Adm Legal Services - General.

The motion was unanimously approved.

Engineering:

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

A. Task Order 2016-24-02: Engineering Services – Parks GSI Construction Services with Wallace, Roberts & Todd:

Motion: The Board authorizes the Director of Engineering to execute Task Order 2016-24-02 with Wallace, Roberts & Todd (WRT), as outlined in WRT's Proposal, dated February 16, 2018, in the amount not-to-exceed \$42,250.00. Funding Source: Wastewater #80800801-80100-00085 – Ww 2018 City Parks GSI.

The motion was unanimously approved.

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

B. Task Order 2017-11-02: Engineering Services for Current State of Buried Assets for Short-Term Capital Planning with GHD:

Motion: The Board authorizes the Director of Engineering to execute Task Order 2017-11-02 with GHD, as outlined in GHD's Proposal, dated February 6, 2018, in an amount not-to-exceed \$43,767. Funding Source: Water #60504541-54104 – Wtr Engineering Services; and Wastewater #80504541-54104 – Ww Engineering Services.

The motion was unanimously approved.

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

C. Task Order 2017-16-02: Engineering Services for Asylum Run Interceptor Rehabilitation with HRG Engineering:

Motion: The Board authorizes the Director of Engineering to execute Task Order 2017-16-02 with HRG Engineering, as outlined in HRG Engineering's Proposal, dated February 9, 2018, in an amount not-to-exceed \$42,800. Funding Source: Wastewater #80800801-80100-00059 – Ww Asylum Run Interceptor Improv.

The motion was unanimously approved.

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

D. Task Order 2018-04-01: Engineering Services – GIS Support with KCI Technologies, Inc.:

Motion: The Board authorizes the Director of Engineering to execute Task Order 2018-04-01 with KCI Technologies, Inc. for GIS Support, as outlined in the February 20, 2018 Proposal, in the amount not-to-exceed \$29,759.50. Funding Source: Water #60504541-54104 - Wtr Engineering Services, Wastewater #80504541-54104 - Ww 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 E.:

E. Task Order 2018-05-01: Engineering Services - 2018 Water System Improvements Project with Gannett Fleming:

Motion: The Board authorizes the Director of Engineering to execute Task Order 2018-05-01 with Gannett Fleming, as outlined in Gannett Fleming's Proposal, dated February 16, 2018, in the amount not-to-exceed \$127,000. Funding Source: Water #60800801-80100-00015 – Wtr Water Main Replacement Eng.

The motion was unanimously approved.

A motion was made by Mr. Kurowski, seconded by Mr. Presley, that the following items be approved, Engineering Items F. and G.:

F. Task Order 2018-06-01: Engineering Services – 7th Street Improvements with Wallace Montgomery & Associates, LLP:

Motion: The Board authorizes the Director of Engineering to execute Task Order 2018-06-01 with Wallace Montgomery & Associates, LLP, as outlined in Wallace Montgomery & Associates, LLP's Proposal, dated January 10, 2018, in the amount not-to-exceed \$327,225. Funding Source: Wastewater #80800801-80100-00090 – 2nd/7th Strts Multimoda GSI.

G. Task Order 2018-07-01: Engineering Services for NACTO Early Action for 2nd Street Improvements with Wallace Montgomery & Associates, LLP:

Motion: The Board authorizes the Director of Engineering to execute Task Order 2018-07-01 with Wallace Montgomery & Associates, LLP, as outlined in Wallace Montgomery & Associates, LLP's Proposal, dated January 10, 2018, in the amount not-to-exceed \$30,615. Funding Source: Wastewater #80800801-80100-00090 – Ww 2nd/7th Strts Multimoda GSI.

Mr. Stewart explained the purpose of Engineering Items F. and G. Ms. Skotedis questioned whether any of the projects have been identified as grant eligible improvements? Mr. Stewart confirmed yes, and that some of the projects involve reimbursement through Impact Harrisburg and Transportation Grants, along with community outreach.

The motion was unanimously approved.

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

H. Asylum Run Interceptor Rehabilitation Project – Recommendation of Award:

Motion: The Board authorizes the issuance of a Notice of Intent to Award and subsequent Director of Engineering's execution of Contract Documents following receipt of insurance and bonds for the Asylum Run Interceptor Rehabilitation Project to Joao & Bradley Construction Co., Inc. in the amount of \$1,067,600. Funding Source: Wastewater #80800801-80100-00059- Ww Asylum Run Interceptor Improv/.

Mr. Kurowski questioned how the bids came in versus CRW's estimate on the project. Mr. Stewart stated that the bids came in better than last time, along with higher M/W/DBE participation, after bidders were counseled by Mr. Terry.

The motion was unanimously approved.

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

I. Front Street Interceptor Phase I Rehabilitation Project – Recommendation of Award:

Motion: The Board authorizes the issuance of a Notice of Intent to Award and subsequent Director of Engineering's execution of Contract Documents following receipt of insurance and bonds for the Front Street Interceptor Phase I Rehabilitation Project to Michels Corporation in the amount of \$709,377.50. Funding Source: Wastewater #80800801-80100-00029 – Ww Interceptor Rehabilitation.

The motion was unanimously approved.

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

J. AWTF Headworks Screening Project – Change Order No. 2G:

Motion: The Board authorizes the Director of Engineering to execute Change Order No. 2G with Conewago Enterprises, Inc. in the amount of \$17,379.57 and no additional time. Funding Source: Wastewater #80800801-80100-00019 – Ww Headworks Screen Design/Con.

The motion was unanimously approved.

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

K. Forest Management Service Agreement:

Motion: The Board authorizes the Director of Engineering to negotiate and execute an extension of the Forest Stewardship and Management Services Agreement with Appalachian Forest Consultants for a not-to-exceed fee of \$91,590. Funding Source: Water #60504541-54104 – Wtr Engineering Services.

The motion was unanimously approved.

Operations:

A motion was made by Mr. Presley, seconded by Ms. Skotedis, that the following item be approved, Operations Item A.:

A. Purchase of Replacement Dump Truck Body for Replacement on Unit C-22 for Drinking Water Division:

Motion: The Board authorizes the procurement of one (1) replacement dump body for Unit C-22, a 2005 GMC 35000 Dump Truck, VIN #1GDP8C1C75F510136, for a total cost of \$26,693.00, as outlined in Intercon Truck Equipment, Inc.'s Quote, dated January 31, 2018. Funding Source: Water #60800804-80400-00017 – Wtr Vehicular Equipment.

The motion was unanimously approved.

X. Board Comments:

Ms. Harris requested Mr. Stewart to advise them of the upcoming events. Mr. Stewart noted that the next upcoming events are:

- March 1, 2018 (6:00 PM – 8:00 PM) Last public meeting for providing public comments on the Long-Term Control Plan to be held at Camp Curtain YMCA; and
- March 7, 2018 (6:30 PM – 8:30 PM) Small Business M/W/DBE Workshop for Doing Business with the City and Capital Region Water for its Business Diversity Program will be held at Capital Region Water's Administrative Offices, 212 Locust Street, First Floor, Harrisburg, PA. Seating is limited and registration is required.

All events are posted on CRW's website at www.capitalregionwater.com.

Mr. Enders stated that he looks forward to working with CRW and encouraged everyone to come and introduce themselves to him. He thanked Mr. Bliss for his excellent way of keeping the community informed on an active basis.

He also noted as an insurance agent, he is a big advocate for CRW customers to keep their storm drains cleared to avoid flooding issues for homeowners.

Mr. Presley stated that he was questioned by someone being charged for a valve that broke off while the water was being shut off by CRW due to freezing temperatures. He questioned whether the customer should have been held responsible. Mr. McFadden noted that he wasn't familiar with the incident, but would check into the matter after the meeting and report back to Mr. Presley.

Mr. Presley commended the staff on the collection of additional revenues other than our ratepayer revenue for utility usage. He stated that hauler revenue, cogeneration and hydro turbine revenues also contribute to CRW's income and wanted it noted for the record.

Mr. Presley welcomed Alisa Harris and Andrew Enders to the Board, and publicly thanked Darryl Waters and Bill Cluck for their dedication and community commitment to CRW during their terms of office. Bill Cluck's dedication to review of details is well-established, and he wanted to thank them both for their service.

Ms. Skotedis extended a warm welcome to the two new Board members. She stated that she is excited for the energy, experience, and commitment that Alisa and Andy are bringing to their new roles at CRW. She respects and thanked them for their community service in volunteering their time and talents for the betterment of the community and looks forward to getting to personally know them.

She also acknowledged the significance of the contributions of out-going Board members, Darryl Waters and Bill Cluck. They were both committed Board members and to do that is honorable. She stated that she is personally grateful for getting to know both of them over the past years and, in particular, Bill Cluck's interest in CRW's M/W/DBE Program. The M/W/DBE Program was Bill's passion, and CRW has really benefited from Bill's commitment and energy towards that Program. CRW's Board is excited to see where that Program goes in the future.

She thanked Bill Cluck for his outstanding community leadership stating that when you think of him, you will always think of his tireless dedication to CRW's Mission and The Harrisburg Authority before CRW's name change.

Mr. Kurowski echoed Ms. Skotedis' comments on persons who volunteer their time, effort, and expertise for the betterment of the community. He is excited to have a full CRW Board as we move forward.

Mr. Kurowski also stated that:

- CRW is actively searching for a new CEO and has engaged a professional search consultant; and
- The Long-Term Control Plan update. While the public meetings are not a compliance requirement of CRW, CRW's Board and this organization feels it has a commitment to be out there searching for public comments on the Long-Term Control Plan. CRW wants it known that the first number that came out for \$315 Million is something that

this Board will be diligently working through with PADEP and the US EPA in order to make the affordability factor known stating that this community does not have the financial capacity to do things at the \$315 Million level, yet alone anything higher. For the next couple of months, this will be a topic of interest for the general public.

XI. Public Comment - Non-Agenda Items:

Mr. Karl Singleton (Pennsylvania Diversity Council) welcomed the two new Board members to CRW. He stated that while CRW's has implemented its M/W/DBE Program, it is a great start. He stated the Diversity Coalition is willing to help CRW to enhance its Program. He doesn't feel that the employment of Mr. Terry and Mr. Johnson is enough for our M/W/DBE Program. He would like to see CRW implement some type of scoring card and a point system when evaluating bidders. Impact Harrisburg and the City of Harrisburg have implemented this type of system to make sure we have equal partners at the table.

Mr. Singleton stated that while CRW enjoys its current credit rating, when the M/W/DBE companies from Harrisburg come forward to make sure they are actively engaged, he feels CRW owes it to these companies to do the hand holding to make sure partnership opportunities that are on the table are cemented because of how CRW got to this place. He stated that the only reason CRW is in an A+ credit rating today is because they nearly bankrupted the City of Harrisburg as The Harrisburg Authority, so he feels this Board owes it to the local M/W/DBE companies.

Mr. Josh Parrish of The Nature Conservancy (TNC) introduced himself and welcomed the new Board members. He thanked CRW from TNC's prospective, as tonight's approval of Round 2 is very exciting. He stated that TNC is located at 2101 North Front Street, Harrisburg, Pennsylvania and that TNC is very excited to being CRW's conservation partner. He also noted that TNC just signed an Option Agreement with the Borough of Duncannon for approximately 2,000 acres along the same ridge as CRW's, and that they just signed up with the Albany Water Board of New York who also just joined their program. While Mr. Parrish is physically located here in Harrisburg, Pennsylvania, he works all over the world and is very excited to see Round 2 concluded and then for Round 3 to close.

The final package will be the Forest Carbon Credit Program. TNC already has interested parties requesting that the Albany Water Board and CRW's acreage be considered as a single package and wanted the Board to be aware of that. He thanked CRW and stated that he enjoys our continued partnership.



XII. Adjournment:

A motion made by Mr. Presley, seconded by Ms. Skotedis, for the Board to adjourn the meeting at 6:58 PM. The motion was unanimously approved.

CAPITAL REGION WATER

Garvey Presley, Secretary