



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:

Mark J. Kropilak, Esquire, Chief Executive Officer
David W. Stewart, P.E., Director of Engineering
Mike McFadden, Director of Water Operations
Jess Rosentel, Director of Wastewater Operations
Joe Pezzino, Operations Supervisor – Drinking Water
Kodi Webb, Water Quality Administrator
Karen McKillip, Archivist
Tammie Sheaffer, Office Manager
Renee Kolacek, Human Resource Manager
Andrew Bliss, Community Outreach Manager
Tremayne Terry, Diversity Program Manager
Tanya Dierolf, Sustainability Manager
Sheri Berilla, Asset Manager
Colleen Boeckelmann, Executive Assistant
Randy Schaffer, Pretreatment Coordinator/Lab Supervisor
Julie Peters, Controller

Consultants:

Scott Wyland, Esquire (Salzmann Hughes, P.C.)
Ed Ellinger, P.E. (HRG)
Jamie Shambaugh, P.E. (Gannett Fleming)
Jeff Thompson, P.E. (WRA)
John Hammell (CDM Smith, Inc.)

Others:

Chuck Hauser (Arcadis)
Nathan Walker (Wood)
Charles Toran (Sci-Tek Consultants, Inc.)
Chris Curran (AECOM)
Matt Crow (Hazen & Sawyer)
William J. Cluck (City Resident)

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

The meeting was called to order by Chairperson Kurowski at 6:08 PM.

Chairperson Kurowski noted that all five Board members 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 personnel matters and matters with counsel.
- B.** The next Regular Meeting is scheduled for Wednesday, September 26, 2018 at 6:00 PM in the Locust Court Building, 212 Locust Street, Harrisburg, Pennsylvania, and is open to the public.
- C.** The Board of Directors has accepted the resignation of David Nowotarski, CFO. CRW will immediately begin its search for a new CFO. On behalf of the Board of Directors, the Board wishes the best to Mr. Nowotarski in his future endeavors.
- D.** Jess Rosentel, AWTF Superintendent, and Michael McFadden, Drinking Water Superintendent, have both been promoted to the position of Director of Operations for their respective facility.

III. Committee Reports:

Budget and Finance Committee: Ms. Skotedis reported the Committee is gearing up for the upcoming 2019 Budget process. An earlier accelerated timeframe has been set for the Budget process, so everyone should be looking for communications from the Accounting Department in the near future.

Personnel and Administrative Committee: Mr. Presley reported the Committee met this month and accepted the resignation of the CFO and promotions of Messrs. Rosentel and McFadden.

Operations/Engineering Committee: Mr. Kurowski reported the Committee had not met during the month of August but will begin regularly scheduled meetings in September.

Legal/Risk Management Committee: Mr. Enders reported some legal issues were discussed with counsel during Executive Session, however, no additional report was provided.

Public Outreach / M/W/DBE Committee: Ms. Harris reported the Committee met on August 16th and continues to work on internal and external communication. Discussions have been held whether additional reports from the Directors would increase transparency as to CRW's public outreach efforts. More information on that may come at future meetings.

CRW received comments from its customers regarding the street sweeping process. Both the Operations Team and the CEO have begun tracking those questions, comments and concerns to develop a detailed mitigation plan on how to proceed. The analysis of the data will be reported on at future Board meetings.

Mr. Enders added that CRW is reaching out to other municipalities outside of the Harrisburg area to get additional feedback in its search on how to build relationships between prime and subcontractors.

IV. Management Report:

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

Each Board member was asked for any questions or comments as follows:

Messrs. Enders and Kurowski and Ms. Skotedis and Harris had no comments or questions.

Mr. Presley questioned why the Drinking Water Division had 460 PA One Calls over the past month? Mr. McFadden confirmed the increase, stating the Drinking Water Division is required to respond to those calls within specified amounts of time.

V. Minutes of Previous Meetings:

A motion was made by Mr. Presley, seconded by Mr. Enders, that the Minutes of the July 25, 2018 Regular Meeting be approved as presented.

The motion was unanimously approved.

VI. Modifications or Deletions to the Agenda:

Two changes were made to Agenda items to read as follows:

Finance:

A. Election and Release of Settlement with Deutsche Bank LIBOR Attorney General Settlement – Claim No. 49239402:

Motion: The Board authorizes the Chairperson to execute the Election and Release by Eligible Counterparties in Settlement with Deutsche Bank Aktiengesellschaft, subject to final approval by the CRW Solicitor, as defined in Claim No. 49239402 in the amount of \$113,399 with the Office of Attorney General.

Engineering:

A. Task Order 2016-09-03: Engineering Services – WSC Chlorine Scrubber with Gannett Fleming:

Motion: The Board authorizes the Director of Engineering to execute Task Order 2016-09-03 with Gannett Fleming, as outlined in Gannett Fleming's Proposal, dated July 18, 2018, in the amount not-to-exceed \$35,200. Funding Source: Water #60800801-80100-00045 – Wtr Chlorine Scrubber Project.

VII. Public Comment - Agenda Items (3 Minutes):

Mr. William Cluck, City Resident, had the following questions or comments relative to the Management Report:

1. Pg. 1 - Negotiate with PADEP/US EPA/DOJ on Past and Future Practices: Partial Consent Decree. The CEO participated and shared a modified vision for the Program. What program is CRW referring to? What is the modified vision? Does PADEP know and when will the ratepayers know?
2. Pg. 3 - Diversity: Reference to revision of the M/W/DBE Plan: What revisions are being contemplated to the M/W/DBE Plan? What will the public process be? Does CRW intend to offer an opportunity for the public to comment?
3. Agenda Item: Finance Item A: Was the LIBOR Settlement in regard to Swap Transactions for the solid waste program? Will the funds be required to be placed in a designated fund or will the funds be unrestricted? If they are unrestricted, he would like CRW to consider placing the funds in an account to assist lower income residents with the payment of their water/sewer bills.

Mr. Kurowski stated that the Board will get back to Mr. Cluck regarding the questions on the Management Report.

Mr. Wyland advised that the LIBOR Settlement (Finance Item A) deals with two transactions around \$24M that occurred in 2006. CRW is investigating which fund transactions they are in regard to. Mr. Wyland will follow-up with Mr. Cluck.

Ms. Harris stated that CRW hasn't determined exactly how the revisions will be rolled out on the M/W/DBE Plan. However, CRW does intend to have a full public comment period.

VIII. Old/New Business:

Finance:

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

A. Election and Release of Settlement with Deutsche Bank LIBOR Attorney General Settlement - Claim No. 49239402:

Motion: The Board authorizes the Chairperson to execute the Election and Release by Eligible Counterparties in Settlement with Deutsche Bank Aktiengesellschaft, subject to final approval by the CRW Solicitor, as defined in Claim No. 49239402 in the amount of \$113,399 with the Office of Attorney General.

The motion was unanimously approved.

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

B. Resolution No. 2018-088 - Authorized Representatives to Execute Documents Under PENNVEST Loan in the Amount of \$5,500,000 for the Headworks Screening Facility Project:

Motion: The Board approves Resolution No. 2018-088 which authorizes the Chairperson, Vice Chairperson, Chief Executive Officer and/or Chief Financial Officer ("Authorized Officers") to execute all documentation required in connection with the \$5,500,000 PENNVEST Loan, including documentation to finalize the Headworks Screening Facility Project.

C. Resolution No. 2018-089 – Authorized Representatives to Submit a Financial Assistance Application to PENNVEST in the Amount of \$11,136,900 for the Front Street Pump Station Project and to Finalize Such Loan per the Funding Approval from PENNVEST:

Motion: The Board approves Resolution No. 2018-089 which authorizes the Chairperson, Vice Chairperson, Chief Executive Officer and/or Chief Financial Officer (“Authorized Officers”) to execute all certifications and documentation required in connection with the PENNVEST Financial Assistance Application and award in the amount of \$11,136,900 for the Front Street Pump Station Project; and Capital Region Water’s Authorized Officers are also authorized to enter into a PENNVEST Loan Agreement and related documentation for the Front Street Pump Station Project.

D. FY2018 Water and Wastewater Consulting Engineer’s Annual Reports (CEARs):

Motion: The Board authorizes the CEO to approve the engagement of Arcadis to prepare the FY2018 CEARs for both the Water and Wastewater systems, as outlined in Arcadis’ Proposal, dated August 2, 2018, in the amount not-to-exceed \$38,000. Funding Source: Water #60504541-54106 – Wtr Rate Study and CEAR Fees and Wastewater #80504541-54106 – Ww Rate Study and CEAR Fees.

E. 2019 Water and Wastewater Rate Study:

Motion: The Board authorizes the CEO to approve the engagement of Raftelis to prepare a 2019 Water and Wastewater Rate Study, as outlined in Raftelis’ Proposal, dated August 7, 2018, in the amount not-to-exceed \$68,000. Water #60504541-54106 – Wtr Rate Study and CEAR Fees and Wastewater #80504541-54106 – Ww Rate Study and CEAR Fees.

The motion was unanimously approved.

Engineering:

A motion was made by Mr. Kurowski, seconded by Mr. Presley, that the following items be approved, Engineering Item A. (as previously amended), and Item B:

A. Task Order 2016-09-03: Engineering Services – WSC Chlorine Scrubber with Gannett Fleming:

Motion: The Board authorizes the Director of Engineering to execute Task Order 2016-09-03 with Gannett Fleming, as outlined in Gannett Fleming’s Proposal, dated July 18, 2018, in the amount not-to-exceed \$35,200. Funding Source: Water #60800801-80100-00045 – Wtr Chlorine Scrubber Project.

B. Task Order 2017-04-04: Engineering Services - Summit Terrace Green Neighborhood - Amendment No. 2 with CH2M:

Motion: The Board authorizes the Director of Engineering to execute Task Order 2017-04-04 with CH2M, as outlined in CH2M's Proposal, dated August 6, 2018, in the amount not-to-exceed \$9,452. Funding Source: Wastewater #80800801-80100-00086 - Summit Terrace Neighbrhd 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 C.:

C. Proposals for Contract Technology Vendors for Water Main Condition Assessment Pilot:

Motion: The Board authorizes the Director of Engineering to accept the Aquam Pipe Diagnostics' Proposal, dated August 7, 2018, in the amount not-to-exceed \$35,000, and Echologics LLC's Proposal, dated August 12, 2018, in the amount not-to-exceed \$57,050, both contingent upon general counsel approval. Funding Source: Water #60800801-80100-00016 - Wtr Water Main Replacement.

The motion was unanimously approved.

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

D. Upper Reservoir Rehabilitation Project - Change Order No. 2:

Motion: The Board authorizes the Director of Engineering to execute Change Order No. 2 with Proshot Concrete, Inc. in the amount of \$12,800. Funding Source: Water #60800801-80100-00014 - Wtr Line/Rehabilitate Upper Re.

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. Water Transmission Main Easement Clearing Project – Recommendation to Reject Bids:

Motion: The Board authorizes the Director of Engineering to reject all bids received on August 13, 2018 for the Water Transmission Main Easement Clearing Project. Funding Source: N/A.

Upon inquiry, Mr. Stewart stated that CRW will take a different approach in the scope of the project when rebidding the project in order to keep costs down.

The motion was unanimously approved.

IX. Public Comment - Non-Agenda Items:

Mr. William Cluck, City resident, asked the following questions:

1. Has the release of 35M gallons of untreated wastewater into the Susquehanna River by the City of Binghamton, New York had any impact on the Harrisburg AWTF? Mr. Rosentel stated it has not.
2. Several months ago, two customers were found in violation of theft of service for illegally bypassing water meters. Was there any enforcement or penalty performed by CRW, and will CRW release the names of the two violating customers to the public? Mr. McFadden advised that CRW made an internal decision not to release the names of the two customers. The matter is still with legal counsel for discussion.
3. Has the dispute with the Shared Services Agreement between the City of Harrisburg and CRW been resolved yet? Mr. Kurowski stated that the balance sheet true up is not fully resolved.
4. Harrisburg Housing Authority had unpaid water/sewer bills. Has the issue with the unpaid bills been resolved yet, and if it was resolved, was any discount provided based on what CRW believed to be owed by the Harrisburg Housing Authority? Mr. Kurowski will get back to Mr. Cluck on the resolution of that issue.

X. Board Comments:

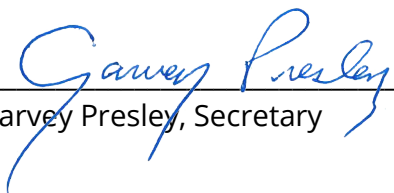
No comments except the Board of Directors wished Mr. Nowotarski well in his future endeavors.



XI. Adjournment:

A motion made by Mr. Presley, seconded by Ms. Skotedis, for the Board to adjourn the meeting at 6:35 PM. The motion was unanimously approved.

CAPITAL REGION WATER



Garvey Presley, Secretary