



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
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
Sheri Berilla, Asset Manager
Colleen Boeckelmann, Executive Assistant
Julie Peters, Controller

General Counsel:

Scott Wyland, Esquire (Salzmann Hughes, P.C.)

Others:

Ed Ellinger, P.E. (HRG)
Mike Mehaffey, P.E. (Gannett Fleming)
David Nixson, P.E. (WRA) Anthony Dill, P.E. (Arcadis)
Nathan Walker (Wood)
Kobby Addo-Boateng, P.E. (Wood)
Matt Crow (Hazen & Sawyer)
Herb Higginbotham (HDR)
Randall L. Henne, P.E., (CDM Smith, Inc.)
Tim Dean, P.E. (AECOM)
Shannon Gority (Raindrop to River Consulting)

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

The meeting was called to order by Chairperson Kurowski at 6:10 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, agency business and matters with counsel.
- B.** The next Regular Meeting is scheduled for Wednesday, October 24, 2018 at 6:00 PM in the Locust Court Building, 212 Locust Street, Harrisburg, Pennsylvania, and is open to the public.

III. Committee Reports:

Budget and Finance Committee: Ms. Skotedis reported the Committee had not met this past month, however the 2019 Budget process is under way. The Committee will be meeting regularly to discuss the Budget and rate setting until the November Board meeting.

Personnel and Administrative Committee: Mr. Presley welcomed Mr. Doweary to the meeting this evening as CRW's new Director of Administration. Ms. Skotedis noted there are several open positions that are in the last phase of recruitment, and it is anticipated that those positions will be filled by the end of 2018.

Operations/Engineering Committee: Mr. Kurowski reported the Committee met earlier this week and focused on current capital improvements projects. Messrs. Stewart, McFadden and Rosentel were present to assist in the manner that CRW expects to hit targeted projections. Projections may be extended from one year up to two or three years due to the number and magnitude of anticipated projects. Mr. Kurowski stated that the Paxton Creek Interceptor Project has become more involved than initially anticipated due to the unforeseen condition of the pipe. CRW will reevaluate its approach to repairing the Paxton Creek Interceptor.

Legal/Risk Management Committee: Mr. Enders reported the Committee had not met yet but stated he just returned from a trip to London, England where they have the same type

of combined sewer system as CRW. CRW is not the only area experiencing issues with old infrastructure improvements.

Public Outreach / M/W/DBE Committee: Ms. Harris reported the Committee had not met but encouraged the public to check out CRW's Outreach Meetings scheduled in October. M/W/DBE participation has significantly increased after CRW conducted several prebid meetings with different organizations on how to get subcontractors involved in the bidding process through outreach. This is evidenced by the increased M/W/DBE participation which is revealed on tonight's Agenda through the recommendation of award contracts.

Ms. Harris encouraged anyone with questions regarding the upcoming block parties and clean-up dates to get in touch with Andrew Bliss at the Admin Office.

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. There were no questions or comments.

V. Minutes of Previous Meetings:

A motion was made by Ms. Harris, seconded by Ms. Skotedis, that the Minutes of the August 22, 2018 Regular Meeting be approved as presented.

The motion was unanimously approved.

VI. Modifications or Deletions to the Agenda: None.

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

Ms. Harris stated that an additional section was added to the monthly Management Report that includes responses to public comments made from prior Board meetings.

VIII. Old/New Business:

Executive:

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

A. DeHart Property – Authorize Execution of Boundary Line Agreement:

Motion: The Board authorizes the Chairperson to execute a Boundary Line Agreement with the Pennsylvania Game Commission relative to the DeHart Property. Funding Source: N/A.

The motion was unanimously approved.

Administrative:

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

A. Resolution Nos. 2018-091 through 2018-099 for Destruction of Records:

Motion: The Board approves Resolution Nos. 2018-091 through 2018-099 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 items be approved, Finance Items A. and B.:

A. Resolution No. 2018-090 – Creation of Rate Stabilization Fund Under the Sewer Trust Indenture:

Motion: The Board approves Resolution No. 2018-090 which authorizes the Controller to create a Rate Stabilization Fund and to transfer up to \$3 Million from the Sewer Revenue Fund to a Rate Stabilization Fund, and that such action may be implemented by Capital Region Water’s Controller and/or CEO pursuant to Section 6.05 of the Sewer Trust Indenture, to be established and used in accordance with the terms of the Indenture.

B. Resolution No. 2018-100 – Approving the Undertaking of the 2018 PENNVEST Project; Approving and Authorizing Funding from the Pennsylvania Infrastructure Investment Authority (PENNVEST) in a Principal Amount Not-to-Exceed \$11,136,900 (The 2018 PENNVEST Loan) relative to the Front Street Pump Station Project:

Motion: The Board approves Resolution No. 2018-100 which authorizes the Issuance of Capital Region Water’s Funding from the Pennsylvania Infrastructure Investment Authority (PENNVEST) in a Principal Amount not-to-exceed \$11,136,900 (the 2018 PENNVEST Loan) which PENNVEST Loan will be evidenced and secured by the Authority’s Debt Obligation known as the Capital Region Water Subordinate Sewer Revenue Note, Series of 2018 (PENNVEST) (or similar designation), in a Principal Amount not-to-exceed \$11,136,900 (the 2018 Note) for the purpose of providing funds to finance the cost of the 2018 PENNVEST Project (Front Street Pump Station Project); Authorizing the Issuance of the 2018 Note and Approving the form thereof.....

The motion was unanimously approved.

Mr. Kurowski thanked PENNVEST for the significant financings that have been made available to assist with the funding of Capital Region Water’s capital improvement projects, and to the staff who assisted in obtaining the financing.

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

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

Motion: The Board authorizes the Chairperson, Vice Chairperson, Secretary, Treasurer and CEO to execute the appropriate Bank Resolution and updated Signature Cards with First National Bank as of September 26, 2018.

D. Update to 2018 Signature Cards with PNC Lockbox:

Motion: The Board authorizes the Chairperson, Vice Chairperson, Secretary, Treasurer and CEO to execute the appropriate Bank Resolution and updated Signature Card with PNC Bank relative to the Lockbox as of September 26, 2018.

The motion was unanimously approved.

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

E. 2017-2018 Sewer Rate Covenant Audit - Maher Duessel:

Motion: The Board ratifies the CEO's execution of the Engagement Letter with Maher Duessel, dated August 28, 2018, to perform the 2017 Rate Covenant Audit of the Sewer System Bonds at a cost not to exceed \$5,100; and to perform the 2018 Rate Covenant Audit of the Sewer System Bonds at a cost not to exceed \$5,200, respectively. Funding Source: Wastewater #80504541 54103 – Ww Financial Advisor Fees.

The motion was unanimously approved.

Engineering:

A motion was made by Mr. Kurowski, seconded by Ms. Harris, that the following items be approved, Engineering Item A., B., C., D., E., and F.

A. Select Park/Playground Renovation Project – Cloverly Heights Park – Change Order Nos. 2 & 3:

Motion: The Board ratifies the authorization of the Director of Engineering to execute Change Order Nos. 2 and 3 with Mid-State Paving, LLC in the total combined amount of \$17,668.39. Funding Source: Wastewater #80800801-80100-00085 – Ww 2018 City Parks GSI.

B. Select Park/Playground Renovation Project – Penn & Sayford Park – Change Order Nos. 1 & 2:

Motion: The Board ratifies the authorization of the Director of Engineering to execute Change Order Nos. 1 and No. 2 with Farhat Excavating, LLC in the amount of \$7,000 and \$4,577. Funding Source: Wastewater #80800801-80100-00085 – Ww 2018 City Parks GSI.

C. Paxton Creek Interceptor Rehabilitation Project – Change Order No. 2:

Motion: The Board authorizes the Director of Engineering to execute Change Order No. 2 with Northeast Remsco Construction, Inc. in the amount not-to-exceed \$57,070.08. Funding Source: Wastewater #80800801-80100-00028 – Ww Paxton Creek Interceptor Re.

D. Upper Reservoir Rehabilitation Project – Change Order No. 3:

Motion: The Board authorizes the Director of Engineering to execute Change Order No. 3 with Proshot Concrete, Inc. to extend the substantial and final completion dates without any price adjustment. Funding Source: Water #60800801-80100-00014 – Wtr Line/Rehabilitate Upper Re.

E. Task Order 2016-04-04: Engineering Services for Paxton Creek Interceptor Rehabilitation Project with JMT:

Motion: The Board authorizes the Director of Engineering to execute Task Order 2016-04-04 with JMT, as outlined in JMT's Proposal, dated September 14, 2018, in an amount not-to-exceed \$47,150. Funding Source: Wastewater #80800801-80100-00028 – Ww Paxton Creek Interceptor Re.

F. Task Order 2018-22-01: Engineering Services for WSC Filter Media Replacement Project with Gannett Fleming:

Motion: The Board authorizes the Director of Engineering to execute Task Order 2018-22-01 with Gannett Fleming in an amount not-to-exceed \$39,700 for design, bidding and construction management. Funding Source: Water #60800801-80100-00008 - Wtr WSC Filter Media Replaceme.

The motion was unanimously approved.

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

G. Front Street Pump Station Project – Recommendation of Award:

Motion: The Board authorizes the issuance of a Notice of Intent to Award and subsequent execution by the Director of Engineering of Construction Agreements following receipt of insurance and payment and performance bonds for the Front Street Pump Station Project for the following contracts, as outlined in bid documents, received September 13, 2018:

- Contract No. 1 - General Construction: Eastern Environmental Contractors, Inc. in the amount of \$10,765,400;
- Contract No. 2 - HVAC Construction: Garden Spot Mechanical Inc. in the amount of \$400,000;
- Contract No. 3 – Plumbing Construction: Garden Spot Mechanical Inc. in the amount of \$153,000; and
- Contract No. 4 – Electrical Construction: Pagoda Electrical in the amount of \$1,169,743.

Funding Source: Wastewater #80800801-80100-00025 – Ww Front St Pump Sta Design/Co.

It was noted that only one bidder was received for each of the four contracts that were bid.

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. WSC Chlorine Gas Scrubber – Recommendation of Award:

Motion: The Board authorizes the issuance of a Notice of Intent to Award and subsequent execution by the Director of Engineering of Construction Agreements following receipt of insurance and payment and performance bonds for the WSC Chlorine Gas Scrubber Project for the following contracts, as outlined in bid documents, received August 31, 2018:

- Contract 1 – General Construction: Heisey Mechanical, Ltd. in the amount of \$386,500; and
- Contract 2 – Electrical Construction: Pagoda Electrical in the amount of \$108,743.

Funding Source: Water #60800801-80100-00045 – Wtr Chlorine Scrubber Project

The motion was unanimously approved.

Operations:

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

A. Authorized Representative to Execute Certificate of Titles and Registration Cards for CRW's Fleet of Vehicles and Equipment:

Motion: The Board authorizes Mark J. Kropilak, CEO, as CRW's representative to execute all Certificate of Titles and Registration Cards for CRW's Fleet of Vehicles and Equipment.

The motion was unanimously approved.

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

B. GSI Landscape Maintenance – Recommendation to Reject Bids:

Motion: The Board authorizes the Director of Engineering to reject all bids received on September 13, 2018 for the GSI Landscape Maintenance RFP. Funding Source: N/A.

The motion was unanimously approved.

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

C. Street Sweeping Contract with DBi Services:

Motion: The Board ratifies the CEO's execution of a Supplemental Agreement, dated August 23, 2018 with DBi, to clarify the responsibility of the street sweeping contractor, DBi Services, under their 2017 Agreement with CRW, and to improve communication and service. Funding Source: N/A.

Ms. Harris thanked Mr. Kropilak and staff for their efforts to alleviate customer frustrations with street sweeping. It was stated that DBi accepted a payment reduction as CRW continues to expect higher standards from its service contractors. She also thanked Mr. Bliss for gathering the data.

The motion was unanimously approved.

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

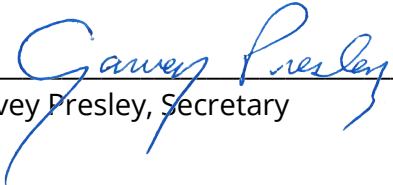
X. Board Comments:

No comments except the Board of Directors welcomed Messrs. Rosentel, McFadden and Dowearly to tonight's meeting as they join the table of Directors.

XI. Adjournment:

A motion was made by Mr. Enders, seconded by Mr. Presley, for the Board to adjourn the meeting at 6:28 PM. The motion was unanimously approved.

CAPITAL REGION WATER



Garvey Presley, Secretary