



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:

Charlotte Katzenmoyer, Chief Executive Officer
Douglas E. Keith, Chief Financial Officer
Michael T. Doweary, Director of Administration
David W. Stewart, P.E., Director of Engineering
Mike McFadden, Director of Water Operations
Jess Rosentel, Director of Wastewater Operations
D. Tom Bernstein, Environmental Compliance Inspector
Randy Schaffer, Pretreatment Coordinator/Laboratory Supervisor
Kodi Webb, Water Quality Administrator – Drinking Water
Tammie Sheaffer, Office Manager
Karen McKillip, Archivist
Andrew Bliss, External Affairs Manager
Tanya Dierolf, Sustainability & Strategic Projects Manager
Tremayne Terry, Diversity Program Manager
Colleen Boeckelmann, Executive Assistant

General Counsel:

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

Others:

Honorable Eric Papenfuse, Mayor (City of Harrisburg)
Neil Grover, Esq. (City of Harrisburg Solicitor)
Ed Ellinger, P.E. (HRG)
Andrew Kreider, P.E. (Gannett Fleming)
Paul Rosol (WRA)
Cindy Zawrotuk, P.E. (AKRF)
Paul McNamee, P.E. (KCI Technologies, Inc.)
Frederick Douglas (Cosmos Technologies, Inc.)
John Hammell, P.E., (CDM Smith, Inc.)
Herb Higginbotham (HDR Engineering)
Michael Buchwach (City Resident/Community Ambassador)

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

The meeting was called to order by Chairperson Kurowski at 6:06 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 4:00 PM to discuss roll-out of Stormwater Fees, personnel matters and potential claims against CRW with General Counsel.
- B.** The next Regular Meeting is scheduled for Wednesday, June 26, 2019 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 noted that the Budget and Finance Committee met last month. Discussions occurred regarding accounts receivables, customers in arrears, and the management of cash funds to maximize interest earnings in the future. She also reported that in February 2019, a new software program was implemented to manage CRW's Call Center System, and that data is now beginning to be received, which will allow CRW to better manage the calls coming into the organization.

The Budget and Finance Committee has one item on tonight's Agenda and is recommending the approval of Arcadis to perform the FY2019 CEARs for Drinking Water and Wastewater.

Personnel and Administrative Committee: Ms. Skotedis reported that the Committee met last month to discuss ongoing personnel matters, as well as Human Resource Policies, along with Employee Handbook updates that are needed as part of the best practices and management. The Dependent Audit is wrapping up and has been very successful. She also noted that CRW is hiring and encouraged everyone to apply, especially residents within our service area.



Operations/Engineering Committee: Mr. Kurowski reported the Committee met twice within the last month with heavy focus on the design and construction side of capital improvement projects, as well as operational questions and concerns.

Legal/Risk Management Committee: Mr. Enders reported that the Committee met on May 6, 2019. CRW continues a strong showing by way of few to no claims, which continues to keep CRW's staff safe and premiums low.

Minor ancillary matters were discussed with General Counsel, but nothing to report on.

Public Outreach / M/W/DBE Committee: Ms. Harris reported the Committee met last month and discussions were held on how CRW can improve upon its communication between the prime and subcontractors on construction projects. CRW continues to work with our stakeholders on this matter to reveal what our expectations are, and how we can get that information properly disseminated.

She also stated that CRW went out for public comments on the Draft Drinking Water Rules and Regulations. The Board has considered this type of approach moving forward when we roll-out the Stormwater Management Program at the June 2019 Board meeting and then the implementation of the Stormwater Rules and Regulations. She also wanted to assure the public that the Board is reaching out through public outreach to keep the public informed, which appears to be successful.

VI. Management Report:

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

Each Board member was asked for any questions or comments. There were no questions or comments.

VII. Minutes of Previous Meetings:

A motion was made by Mr. Enders, seconded by Mr. Presley, that the Minutes of the April 24, 2019 Regular Meeting be approved as presented.

The motion was approved, with Ms. Skotedis abstaining from the vote since she was not present.

VIII. Modifications or Deletions to the Agenda: None.

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

Mayor Papenfuse spoke to the Board regarding the Board's intention on rolling out the Stormwater Fees stating he wanted it on the record that the City of Harrisburg is against the roll-out of the Stormwater Fee. He noted he doesn't believe it is affordable, and that once the Stormwater Fees are implemented, it will be very detrimental to the City of Harrisburg's recovery efforts.

He encouraged CRW to change its course of action to a litigious course of action and to push back against implementing the Stormwater Fee.

Chairperson Kurowski stated that normally the Board does not engage in immediate responses to the public, but wanted it on the record that CRW's Board is extremely aware of the economic impacts and challenges it will be faced with regarding City ratepayers, as CRW represents a lot of the same ratepayers, with the exception of some suburban customers. CRW's Board have been having conversations with US EPA for two or more years.

Mr. Kurowski stated that the June Board meeting will be the first time CRW will open a forum for public comment on Stormwater Fees. CRW does not intend to adopt and implement Stormwater Fees at the June 2019 Board meeting. The June Board meeting will be to unveil to the ratepayers what the fees likely will be and start the public outreach. The implementation of Stormwater Fees is not scheduled until January 2020, not June 2019. CRW will continue its dialogue with the City of Harrisburg.

Mr. Kurowski advised that CRW is not adverse to litigation, and is open to further dialogue, but is also cautious and hopeful to not increase the impact of additional legal fees and possible fines to the ratepayers if that action goes into litigation.

Ms. Katzenmoyer then stated that if CRW didn't have the Stormwater Fee, the percentage increase of wastewater rates would double, which would have more of an impact on residences and small commercial property owners.

Mr. Michael Buchwach (City Resident and Community Ambassador for CRW) advised that he is a retired lawyer of the US EPA. He stated that the City of Harrisburg should not be at odds with CRW on this issue. This issue is mandated by US EPA, PADEP, etc. and is a common concern amongst all municipalities within the Commonwealth. He is hopeful that CRW

representatives continue dialogue with the City of Harrisburg to join efforts and work together.

Mr. Buchwach asked Ms. Harris directly if CRW received any public comments on the Drinking Water Rules and Regulations. Ms. Harris stated that one comment was received. He stated that the Collections Policy doesn't appear to have any room for error on CRW's part. In the instances that he has provided legal assistance to lower income families, there have been discussions which he'd be happy to share after the meeting, however, CRW's General Counsel is aware. He also pointed out that CRW's Administrators are great to work with, however, all parties must see the end goal similar to what Ms. Katzenmoyer just pointed out about what impacts are if CRW doesn't implement Stormwater Fees. He is hopeful CRW's Administrators will be able to work out those types of details and are given the flexibility to work out those types of situations when circumstances arise.

Mr. Kurowski thanked everyone for their comments.

X. 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. Resolution No. 2019-027 – Drinking Water Rules and Regulations:

Motion: The Board adopts Resolution No. 2019-027 for the Drinking Water Rules and Regulations, effective June 1, 2019, which shall be attached as Exhibit "A".

The motion was unanimously approved.

Ms. Harris advised that minor language has been added to the Collections Policy which could have a big impact. The language requires that a down payment is now required when a Payment Agreement is being contemplated. This is standard language amongst utility companies.

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

B. Resolution No. 2019-028 – Collections Policy:

Motion: The Board adopts Resolution No. 2019-028 for the Collections Policy, effective June 1, 2019, which shall be attached as Exhibit “A”.

The motion was unanimously approved.

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

C. Resolution No. 2019-029 – Amended and Restated By-Laws of Capital Region Water Effective May 22, 2019:

Motion: The Board adopts Resolution No. 2019-029 for the Amended and Restated By-Laws of Capital Region Water, Effective May 22, 2019, which shall be attached as Exhibit “A”.

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. 2019-012 through 2019-026 for Destruction of Records:

Motion: The Board adopts Resolution Nos. 2019-012 through 2019-026 for destruction of records as detailed in Exhibit “A” of each Resolution.

The motion was unanimously approved.

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

B. Engagement of Hammel Associates Architects, LLC for Facility Consolidation Feasibility Study:

Motion: The Board authorizes the CEO to engage Hammel Associates Architects, LLC to perform the Facility Consolidation Feasibility Study, as outlined in their Proposal, dated May 10, 2019, in the amount not-to-exceed \$13,615 for Phase 1; and in the amount not-to-exceed \$6,835 for Phase 2. Funding Source: Admin #10504541-54109 – Adm Other Professional Services.

Mr. Presley questioned whether Hammel Associates will schedule someone from CRW's staff to perform the work on Phase 2 for mechanical engineering, or will they go out for bid? Ms. Katzenmoyer stated there are two specific firms Hammel Associates have offered. He also questioned whether Hammel Associates would comply with CRW's M/W/DBE Program? CRW is currently waiting for a response from Hammel Associates on this issue.

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. FY2019 Water and Wastewater Consulting Engineer's Annual Reports (CEARS):

Motion: The Board authorizes the CFO to approve the engagement of Arcadis to prepare the FY2019 CEARS for both the Water and Wastewater Systems, as outlined in Arcadis' Proposal, dated May 7, 2019, for a lump sum cost of \$38,000. This cost remains unchanged from last year. Funding Source: 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 Items A. and B.:

A. Task Order 2017-03-03: Engineering Services – Camp Curtin Big Green Block – Amendment No. 2 with AKRF:

Motion: The Board authorizes the Director of Engineering to execute Task Order 2017-03-03 and Amendment No. 2 with AKRF, as outlined in AKRF's Proposal, dated May 15, 2019, in the amount not-to-exceed \$41,555. This Amendment will be reimbursed by the City of Harrisburg. M/W/DBE Commitment: 100% MBE (\$41,555). Funding Source: Wastewater #80800801-80100-00087 – Ww Camp Curtin Big Green Block GSI.

B. Task Order 2019-14-01: Engineering Services for Bellevue Park Pond Stormwater Retrofit and Restoration with Jacobs:

Motion: The Board authorizes the Director of Engineering to execute Task Order 2019-14-01 with Jacobs, as outlined in Jacob's May 10, 2019 Proposal, in the amount not-to-exceed \$237,729. M/W/DBE Commitment: 31.7% WBE (\$75,390), 6.6% MBE (\$15,840). Funding Source: Wastewater #80800801-80100-00070 - GSI Design - Professional Services.

Ms. Harris noted she is very happy to see 100% MBE participation on Task Order 2017-03-03 with AKRF. AKRF is a crucial partner in assisting CRW attain our M/W/DBE participation goals.

The motion was unanimously approved.

Operations:

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

A. Service Repair of Spare Turbo Expander for Wastewater:

Motion: The Board authorizes the Controller's procurement of services for the repair of the Turbo Expander for the Wastewater Division from LA Turbine in the amount not-to-exceed \$36,100. Funding Source: Wastewater #80800804-80400-00056 - Ww Operations Equipment.

B. Adjustment to Purchase Price for G-68 (Wastewater):

Motion: The Board authorizes the adjustment to the purchase price to procure the vehicle with the trade-in of G-24 valued at \$800 for the Wastewater Division for a revised purchase price of \$48,196.72. Funding Source: Wastewater #80000804-80400-00027 - Ww Vehicular 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 C.:

C. Timber Product Harvest/Sale Agreement for Management Units 10 and 23 of the DeHart Property - Recommendation of Award:

Motion: The Board authorizes the issuance of a Notice of Intent to Award and the subsequent Chief Executive Officer's execution of a Timber Product Harvest/Sale

Agreement with Spigelmyer Wood Products, LLC for harvest and sale of wood products within Management Units 10 and 23 of the DeHart Property. Funding Source: N/A.

Upon inquiry, Ms. Dierolf confirmed that this Agreement is in accordance with CRW's Forest Management Plan. The Agreement produces revenue to CRW for timber harvesting, and that there are no costs to CRW.

The motion was unanimously approved.

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

XII. Board Comments:

Ms. Harris made the following announcements and requested patience from our ratepayers during inconveniences that may be experienced during construction:

- CRW is investing \$2.6 Million to restore a Drinking Water Main constructed in 1884 at the intersection of Cameron and Calder Streets which will provide safe and reliable drinking water for many years to come. While this short-term inconvenience will cause traffic inconveniences, the long-term gain is well needed;
- On June 24, 2019, CRW will partner with the African American Chamber of Commerce and other utilities in the area at a Career Fair. The event will occur at Pennsylvania Career Link at 100 Cameron Street, Harrisburg, Pennsylvania from 5:00 – 7:00 PM;
- Look for bill inserts in June when important information will be shared with our ratepayers on how to address issues regarding responsibilities between CRW and homeowners; and homeowners' insurance vs. purchasing additional coverage to cover these types of responsibilities; and
- If you see something that is wrong or concerning, report it to CRW at 888-510-0606.

Mr. Enders agreed with all of Ms. Harris' comments.

Mr. Presley reminded everyone that last month Mayor Papenfuse named Capital Region Water in a Proclamation during National Drinking Water Week. He wanted it known that even though the Drinking Water Division was commended, the staff at the Wastewater Treatment Facility are also appreciated for all that they do.

Ms. Skotedis extended a sincere thanks to the management leadership over the past month. She was very inspired and grateful to management who have really stepped up.

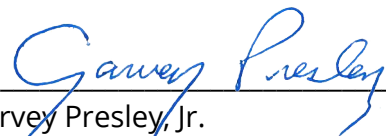


Mr. Kurowski noted that although the stormwater management conversations continue, CRW will continue to push to make sure the mandated Stormwater Fees are not heavy handed on our ratepayers. However, CRW does need to have a baseline for adoption of Stormwater Rules and Regulations and Stormwater Fees.

XIII. Adjournment:

A motion was made by Mr. Presley, seconded by Ms. Skotedis, for the Board to adjourn the meeting at 6:46 PM. The motion was unanimously approved.

CAPITAL REGION WATER



Garvey Presley, Jr.
Secretary