



1801 Kutztown Road
Reading, Pennsylvania 19604
Phone: 610-406-6300
Fax: 610-406-6307
TDD: 610-655-6442

READING AREA WATER AUTHORITY
BOARD MEETING
4:00 PM
Tuesday November 21, 2023

In attendance were Chairman Rev. Steven McCracken, Vice Chairman Mr. Richard L. Carpenter, Mrs. Cecile Grimshaw, Mr. Jamal Abodalo, Mr. Earl Lucas, Mr. Daniel Luckey, RAWA Solicitor Attorney Edwin Stock, Executive Director Mr. Bill Murray, Director of Operations and Maintenance Mr. Gary Phillips, Distribution Superintendent Mr. Anthony Reynolds, Director of Asset Management Mr. Yuri Evans, Administrator Mrs. Suzanne Ruotolo, Plant Superintendent Mr. Patrick Bauer, Meter Reader Manager Mrs. Amy Styer, Lake Ontelaunee Manager Mr. Michael Reider, Customer Service Manager Ms. Tracey Karish, Mr. Brian Hassinger from SSM Engineering, Mr. Matthew Kozlowski from Dallas Data Systems. Absent/excused Mrs. Tressa Jefferson

The meeting was brought to order at 4:01 PM. The Pledge of Allegiance and moment of silence was observed.

Mr. Matt Kozlowski with Dallas Data Systems presented the 2024 RAWA Budget to the board members. Mr. Abodalo had a question regarding the Administration portion of the budget, asking if the 11 or 12% includes the employee's salary. Mr. Kozlowski advised that percentage does include the employees' benefits and wages for each department. Mr. Kozlowski advised each of the department budgets have remained relatively static in their percentage over the past few years. He also stated that 55 percent of the budget is the city lease and debt payments. Mr. Abodalo asked if the new employee labor contract that was approved was included in the budget. Mr. Kozlowski advised yes, the wage increases and projected insurance cost are budgeted as well. Chairman McCracken asked for a motion to approve the 2024 RAWA Budget. A motion was made by Mr. Carpenter and seconded by Mrs. Grimshaw. All in favor, Motion passed.

Chairman McCracken asked for a motion to approve the October 17, 2023, meeting minutes and the special meeting held on November 1, 2023. A motion was made by Mr. Earl Lucas and seconded by Mrs. Grimshaw. All in favor. Motion passed.

Chairman McCracken asked for a motion to approve payment of the October invoices, for General Fund in the amount of \$848,101.99 Capital Fund in the amount of \$173,156.58 and the Escrow Fund in the amount of \$20,158.40. A motion was made by Mr. Carpenter and seconded by Mrs. Grimshaw. All in favor. Motion passed.

Mr. Abodalo advised he had the pleasure of attending the RAWA Employee Brunch, stating it was a very friendly environment and was proud of the staff and Executive Director.

Mr. Murray asked Pat Bauer to present 2024 bids for the chemical. No questions were asked regarding the bids. Chairman McCracken asked for a motion to approve the bids. A motion was made by Mr. Carpenter and seconded by Mr. Lucas. All in favor. Motion passed.

Mr. Murray updated the board on the US Water Alliance Conference he attended in Arizona. He was a guest speaker on a panel. He stated it was a great experience and got a few good ideas to bring back to the Authority.

Mr. Murray updated the board on the Delinquent Shut off's, stated there was a small number of properties who just did not make any payments on their bills over the past 3-5 years. These multi-unit dwellings where the owners are collecting rent but just not paying the utility bill. He advised there were letters and phone calls made. RAWA even had a crew go out and clean up the shut off areas in hopes to draw attention. Mr. Murray advised the properties that do get shut off are accounts that both Bill and Sue reviewed and are making sure all attempts are made prior to the water being shut off.

Mr. Murray asked Mr. Abodalo to discuss the property at 201 S 6th Street. Mr. Abodalo stated there is a company that is very interested in developing the property, stating it is blighted property and has needed repair. Mr. Abodalo stated the company is looking to place 50 apartment units. Mr. Abodalo is asking the board to wave the fees that are outstanding on the account so the property can move to the next step, which will be settlement around the holidays. Mr. Murray advised the fees are over \$100,000. He wanted the board to know this property had been sitting empty for several years with the city taking care of it. Mr. Murray asked if the title will be going to the company or the housing authority. Mr. Abodalo stated it will be going to the company, stating it is the same company that had the Skyline View on Washington Street before it was sold, they had been looking for a year before coming across this property. Mr. Lucky stated he has worked in the past with this group and they are very competent and he feels RAWA should do this.

Mr. Carpenter stated he needs to abstain from the vote. Solicitor Ed Stock asked if Mr. Abodalo will be abstaining as well. Mr. Abodalo stated he will be abstaining.

Chairman McCracken asked for a motion to wave the fees. A motion was made by Mr. Luckey and seconded by Mr. Lucas. Motion passed with Mrs. Grimshaw, Chairman McCracken, Mr. Luckey and Mr. Lucas Voting Yes, and Mr. Abodalo and Mr. Carpenter Abstaining.

Mr. Hassinger advised the filters are done and permitted just waiting on the final invoice for payment.

Solicitor Stock stated he had one item for discussion. Mr. Murray asked him what could be done to make it difficult for the water system to be sold. He is proposing to amend the Articles of Incorporation for the water authority to put into the articles a requirement that unanimous approval by city council must required for any sale of the water authority to acquire. The process to amend the Municipals Authorities articles of incorporation is first this board would have to adopt the appropriate resolution and then the resolution would go to the appointing authority which would be the city, for the city to approve the resolution. Then once that happens it is advertised in the newspaper and submitted to the state for filing. Bill asked the Solicitor to place this on the agenda tonight for discussion. If the board wants to follow this path at the December meeting the board with see an amendment to the Article of Incorporation for adoption. Mr. Luckey asked what would this do and what is purpose? He also stated the City owns the water authority in a sense and the city has not approved any sale. Solicitor Stock advised in the lease with the city, the city can terminate the lease on 6 months' notice and take the water system back. Currently there are 7 members of City Council and the majority of 7 would be 4 so the sale of the water system

could be done with only 4 votes. The solicitor advised he was asked to come up with a suggestion to make it a little more difficult to sell the water system, the way to do this would be to require a super majority of city council making the decision to be a unanimous. Mr. Luckey stated we could put the information in but whether City Council or the courts would agree is a different story. Solicitor Stock advised the first step is for the board to adopt the amendment of the resolution, and then this would go to City Council would have to vote on it and approve it. Like anything we do there is also subjected to court action. Mr. Luckey stated it doesn't make a difference what we do the controlling factor is the city they own it and whatever resolution we pass to supersede the owners, he does not know, stating we can do but feels it won't make a difference. Solicitor Stock advised he was asked to come up with a way to do this, he has no vested interest in this. Mr. Abodalo asked if there are current rumblings of a sale of the water system or is this preventive. Solicitor Stock advised there are no rumblings, and this will just be a preventive measure. Mr. Murray advised in the past there were rumblings, and the water system was even evaluated to see the value. Also stating Act 12 allows private industries to overpay for a water system, then the overpayment gets passed onto the rate payers. Mr. Luckey stated a lot of water systems are sold because the authorities or city cannot afford to keep the system. Mr. Murray advised by making this resolution makes it so across the board and the city everyone would have to agree to sale. Mr. Murray advised while negotiating the lease agreement it was brought up several times to find a way to make it harder to sell the system for the people of the city. Chairman McCracken interjected for clarification, what is being said that next month in December there will be something brought to the board for a yes or no. Solicitor Stock advised was looking for a formal reaction to see if the board members would be for it or against it, if the will of the board, then in December there will be a formal resolution. Chairman McCracken stated as a consensus we allow Ed to move forward in put the information together so that next month there can be a vote.

Chairman McCracken called the executive session to order at 4:45pm

Chairman McCracken called the regular meeting back to order at 5:54pm

A motion to adjourn was made by Mr. Luckey at 5:54pm