EAST COCALICO WATER & SEWER TOWNSHIP AUTHORITY

BOARD MEETING MINUTES
DECEMBER 15, 2025

The regular, monthly meeting of the East Cocalico Township Authority (ECTA) was held on Monday, December 15, 2025 at the East Cocalico Township Municipal Building, 100 Hill Road, Denver, PA 17517.

Those in attendance were as follows:

Members:	Daniel Becker, Samuel Weaver, Jr., Gerald DeBalko, Edward Nevling, J. Bradford Fichthorn, David Lutz, Richard Shober, June Kinback and Noah Zimmerman
Solicitor:	Absent
Engineer:	Absent
ECTA Staff:	Scott Carl, Sr., Michael Galley, Tyler Pannebecker, Lisa Shaw and Jodie Eberly
Visitors:	None

Chairman Daniel Becker called the meeting to order at 7:00 p.m. and opened with the Pledge of Allegiance.

MINUTES: Minutes of the monthly meeting held on November 25, 2025 were approved as presented on motion by Richard Shober, seconded by Samuel Weaver, and carried unanimously.

TREASURER'S REPORT (see attached): Accountant Lisa Shaw reviewed the November 2025 financial reports. The reports were approved as presented subject to audit.

OFFICERS' AND PROJECT MANAGERS' COMPENSATION FOR 2025: Edward Nevling made a motion to accept the Officers' and Project Managers' compensation for the 2025 calendar year as proposed and budgeted, to be paid in January 2026, seconded by Gerald DeBalko, and carried unanimously.

2026 WAGE RATE STRUCTURE: Edward Nevling made a motion to approve the 2026 Wage Rate Structure effective with the first pay period which includes January 1, 2026, seconded by Bradford Fichthorn, and carried unanimously.

2026 WATER AND SEWER BUDGETS: Due to continuing inflation; continuing increases in prices on goods, services and chemicals; continuing increases in electric costs; increases in wastewater treatment costs; continuing long-term debt service for construction of the water treatment plant (WTP), the Meadowbrook Area Water & Sewer Project, the Kurtz Road Water Project and the current WTP Upgrade Project; and forecasted capital improvement projects due to aging infrastructure, the Board discussed water and sewer rate increases. Paying the water treatment plant construction loan (Funded Debt Series of 2020) with sewer funds was again discussed.

- Noah Zimmerman made a motion to adopt Resolution No. 2025-12-15-W accepting the Water Operating Budget for the calendar year ending December 31, 2026, increasing the water rate from $8.00 to $8.80 per 1,000 gallons, beginning with usage starting on January 1, 2026; seconded by Samuel Weaver; and carried unanimously.
- Noah Zimmerman made a motion to adopt Resolution No. 2025-12-15-S accepting the Sewer Operating Budget for the calendar year ending December 31, 2026, with no increase in the sewer rate keeping it at $13.85 per 1,000 gallons and the flat rate sewer at $180.05 per quarter, beginning with usage starting on January 1, 2026; seconded by David Lutz; and carried unanimously.

MONTHLY CAPACITY REPORTS (see attached): The November 2025 Monthly Capacity Reports were approved as presented on motion by David Lutz, seconded by Samuel Weaver, and carried unanimously.

EXECUTIVE DIRECTOR'S UPDATE: A complete copy of the update is on file in the ECTA Office. Executive Director Scott Carl, Sr. discussed the following from his update:

MEADOWBROOK AREA WATER & SANITARY SEWER PROJECT: The one year warranty period for the sewer project ends on January 28, 2026.

PRIVATE WELLS: ECTA is currently addressing four private well situations.

WELL F/WABASH RETENTION BASIN SINKHOLE: Mr. Carl continues communications, file searches and legal document reviews with ECTA's special counsel Salzmann Hughes regarding this ongoing legal issue.

WATER TREATMENT FACILITY GROUNDWATER UNDER DIRECT INFLUENCE OF SURFACE WATER (GUDI) UPGRADE PROJECT: Extensive testing, UV system troubleshooting, punch list activities, SCADA & Controls integration efforts and final demolition/construction activities have been ongoing. The final Construction Progress Meeting No. 10 and the final PENNVEST/DEP closeout compliance inspection were held on December 10, 2025. Preliminary punch lists were issued to Garden Spot Electric and LBI. Final construction is still expected to be completed by December 29, 2025. WATEK and Mr. Carl recommended payment of LB Industries' Application for Payment No. 7 in the amount of $33,218.84, which is part of ECTA's December 15, 2025 invoices to be approved for payment.

MASTER METER 3G REGISTERS/NEPTUNE METERS: As of December 12, 2025, 533 new Neptune meters have been installed.

GRANT APPLICATION: ECTA awaits the determination of the grant application submitted to the Commonwealth Financing Authority for a $1,000,000.00 grant to be used for a Systemwide Water Meter Replacement Project.

2026 CONSULTANTS' RATES: Rate schedules for 2026 were received from Lucy Dowd Law, CDM Smith, Keystone Engineering Group Inc, WATEK Engineering Corporation, Entech Engineering Inc, HRG Inc, and Salzmann Hughes, PC and were reviewed by Mr. Carl. They were presented to the Board for review and will be voted on at the next meeting.

2025 AUDIT: Preliminary audit work with Brown Plus is scheduled to begin on January 28, 2026.

CAPITAL CONTRIBUTION RATE: The Capital Contribution Rate is evaluated on an annual basis. ECTA Resolution No. 2014-06-12-2 permits an increase in the capital contribution rate of at least 3% per year. The current Capital Contribution Rate is $3,960.00 per water EDU and has been in effect since January 1, 2025.

- Noah Zimmerman made a motion to approve and execute Resolution No. 2025-12-15-01 increasing the Capital Contribution Rate from $3,960.00 to $4,000.00 per water EDU effective January 1, 2026, seconded by David Lutz, and carried unanimously.

TWO COUSINS PIZZA: ECTA's administrative requirements for the Two Cousins Pizza sanitary sewer lateral project located at 1215 North Reading Road, Stevens have been satisfactorily completed. The new sanitary sewer lateral was inspected and approved by ECTA, and all invoices have been paid. Mr. Carl

requested the Board's approval to begin this project's 18-month warranty period and to reduce their cash in lieu of a Letter of Credit from $4,494.26 to $612.85, representing 15% of the approved cost of construction, to be held along with their Administrative Escrow until the end of the 18-month warranty.

- Samuel Weaver made a motion to begin on December 15, 2025, the 18-month warranty period for the Two Cousins Pizza sanitary sewer lateral project located at 1215 North Reading Road, Stevens, and to reduce their cash in lieu of a Letter of Credit from $4,494.26 to $612.85, representing 15% of the approved cost of construction, to be held along with their Administrative Escrow until the end of the 18-month warranty period; seconded by Bradford Fichthorn; and carried unanimously.

OPERATIONS & MAINTENANCE MANAGER'S UPDATE: A complete copy of the update is on file in the ECTA Office. O&M Manager Tyler Pannebecker had nothing to add to his update.

ENGINEER'S UPDATE: Entech provided an Engineer's Report giving a general update on the projects they are currently working on.

SOLICITOR'S UPDATE: Mr. Carl stated he has been working with Solicitor Dowd on matters which will be discussed during Executive Session.

INVOICES (see attached): Bills included on the December 15, 2025 ECTA invoice listing were approved for payment on motion by June Kinback, seconded by Bradford Fichthorn, and carried unanimously.

NEW BUSINESS:

IRS MILEAGE RATE FOR 2026: Gerald DeBalko made a motion to pay the 2026 maximum permissible mileage rate, seconded by Noah Zimmerman, and carried unanimously.

NOMINATING COMMITTEE: Chairman Becker appointed Richard Shober, Gerald DeBalko, and J. Bradford Fichthorn as the Nominating Committee for Officers for 2026.

EXECUTIVE SESSION: Chairman Becker called an Executive Session at 8:08 p.m. to discuss updates on personnel and legal matters. At 8:20 p.m., Chairman Becker adjourned the Executive Session and reconvened the public meeting. No action was taken during the Executive Session.

OTHER MATTERS TO COME BEFORE THE BOARD: On December 31, 2025, Chairman Daniel Becker will retire from the ECTA Board. The Board and Staff recognized Chairman Becker's 30 years of dedicated service and thanked him for his exceptional leadership and numerous contributions to ECTA. The meeting concluded with a brief farewell presentation and wishes for a happy Board retirement.

Since there was no further business to come before the Board, Gerald DeBalko made a motion to adjourn the meeting at 8:25 p.m., seconded by David Lutz, and carried unanimously.

Respectfully submitted,

Gerald A. DeBalko
Secretary

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