



Assistant Secretary/Assistant Treasurer – There was a Holman/Wright motion to nominate Irene Graybill as Assistant Secretary/Assistant Treasurer. Motion passed unanimously.

The following staff and institutions were retained:

Financial Depositories – There was a Graybill/Wright motion to retain PLGIT and The First National Bank of Marysville as the financial depositories. Motion passed by unanimous vote of the Authority.

Insurance Agent – There was a Holman/Wright motion to retain H. A. Thompson as the insurance agent.

Legal Service – Irene moved that Cleckner & Fearen be retained to provide legal services. Lee seconded the motion for discussion purposes. He stated that he felt Cleckner & Fearen should be retained on a month-to-month basis to allow the Authority to obtain quotes for legal services. He continued that he felt the engineering services should be retained on the same month-to-month basis. Irene responded that the Authority had researched rates in 2006 and that Cleckner & Fearen had submitted the lowest quotes. She also noted that the Chapter 94 Report was due the following week and, if the current engineer was not retained, the Authority would need to select another firm quickly to prepare the report. Lee explained that his intent was not to replace either firm at this time, but to allow time to check if lower rates are available. Chairman Holman called for the vote to the motion. The motion failed, with Irene voting in favor of the motion and Lee, Elmer and Chairman Holman voting against the motion.

There was a Wright/Knaub motion to retain Cleckner & Fearen to provide the Authority's legal service on a month-to-month basis while quotes are solicited from other firms. Motion passed by unanimous vote of the Authority.

Engineering Service – There was a Wright/Knaub motion to retain Buchart Horn to provide the Authority's engineering service on a month-to-month basis while quotes are solicited from other firms. Motion passed by unanimous vote of the Authority.

JOAC Representative – There was a Graybill/Holman motion to re-appoint Lee as the regular member of the JOAC with the remainder of the Authority as alternative members. Motion passed by unanimous vote of the Authority.

### **Minutes**

After discussion, and upon a Wright/Holman motion, the Authority voted unanimously to approve the December 6, 2006, and January 3 and January 12, 2007 minutes as presented. Chairman Holman noted that the scheduled February 7, 2007 meeting did not have a quorum. He reported that comments were received from the visitors and several staff members, but that no action was taken at that time and no minutes were recorded.

### **Visitors**

John Myers

Lee asked Mr. Myers if he was still interested in having the full complement of Authority members attend the March 1, 2007 JOAC meeting. Mr. Myers responded that he was interested and that the meeting would have to be advertised by both sides. He also stated that it should be determined who would conduct the meeting. It was the consensus that, since the meeting would be held at the Duncannon Borough (Borough) office, a Borough representative would conduct it. It was questioned who should attend the meeting. Mr. Stoner stated that he would like to have the Penn Township Supervisors (PTS) attend and Mr. Myers stated that he would like to have the Borough Utilities Committee attend. Irene will confer with the PTS's

secretary about jointly advertising the meeting. She asked Mr. Myers to provide her with an agenda prior to the meeting for Authority review.

**Plant Operator's Report** See February 2007 Operator's Report  
The Operator was not in attendance at this evening's meeting.

**Inspector's Report** See Inspector's Report for January 2007

Authority Rules and Regulations (R&R) – The Inspector presented a page from the R&R that is provided to the property owner or contractor when a connection permit is issued. He pointed out that suggested language has been added to the top margin stipulating that only Authority representatives may remove the grinder pump assembly from the wet well and asked if the revised page could be handed out with the connection permit. After discussion, there was a Wright/Graybill motion to approve the inclusion of the page for distribution with the connection permit packet. Motion passed by unanimous vote of the Authority. After further discussion, it was the consensus to amend the R&R to include the new language. The Inspector was requested to decide where the new information would appear in the R&R and to contact the Solicitor for input into the wording of the amendment. The amendment will then be reviewed and discussed at the March 7, 2007 meeting for possible adoption into the R&R.

Petersburg Commons Water Meter Vault - Chairman Holman asked about the status of the water meter vault. The Inspector stated that the contractor still needed to install an insect screen and safety railing, and change out the personnel door. He stated that the contractor, G&R Charles, has been requested on several occasions to provide a timeline for completion of the project but has not yet responded to the Inspector or the Authority's engineer. The Inspector stated that he does not know what to do to get the contractor to realize the urgency of completing the project. He explained that the Authority did not meet the PUC deadline for completion of the water meter vault and, as a result, the Borough is now in violation of its deadline to install the water meter. He asked what the Authority could do to expedite the process and if it could file for liquidated damages. The Solicitor stated that liquidated damages apply when a contractor has not performed the work in a timely manner and the contract has been breached, as in this case. He added that the Authority could also give the contractor a deadline, after which another contractor could be hired to complete the contract, with the costs charged back to G&R Charles. He offered that, while it may not be practical to hire another contractor at this late date, since the Authority does not know G&R Charles' completion date, it may want to consider that alternative. The Inspector relayed G&R Charles' explanation for the delay in the changeout of the personnel door as being due to a delay of receipt of the frame from the manufacturer.

Lee asked if the Authority should send a letter to the PUC explaining why the project has not been completed. The Solicitor responded that he has already done that. The Inspector suggested that the Authority send a letter to the Borough assuring them that the work will be completed by a certain date so that they could begin to install the water meter. The Solicitor reported that, in his letter to the PUC, he informed them that the Authority would have no objection to the extension of the PUC deadline.

Chairman Holman asked if the by-pass was installed. The Inspector stated that it was not and the contractor was waiting for the personnel door frame to arrive from the manufacturer, after which all remaining items on the punch list would be done at the same time.

Lee suggested that the contractor be told that he had ten days to complete the project or the Authority would file for liquidated damages. The Solicitor responded that the contractor is already aware that he might be charged with damages and is at the mercy of the Authority. He added another concern in that the Borough has not yet indicated if it will file against the Authority for failure to meet the construction completion deadline. Lee then moved that the Authority inform G&R Charles that it has until March 1,

2007 to complete the project or the Authority would obtain another contractor to complete the project and charge those costs back to G&R Charles. At this time there was no second.

John Myers reported that the Borough filed with the PUC for relief of its January 17, 2007 deadline to install the water meter and that the Borough has not yet received a response.

Chairman Holman asked the Authority what it will do if the contractor can not get the frame for the personnel door from the manufacturer by March 1<sup>st</sup>. Lee offered to contact the manufacturer to check on the availability of the frame. Chairman Holman suggested that G&R Charles should be sent a letter asking for his timeframe for completion of the project. Lee suggested that the letter should also include that the project will be completed with or without G&R Charles. Chairman Holman agreed, but noted that, if the contractor can't obtain the frame from Monarch, neither can any other contractor. Lee offered that, while the contractor is waiting for Monarch, it could be completing all of the other items on the punch list.

Elmer asked what role the Authority's engineer has in this project. The Solicitor responded that the engineer was hired only to draw up the specifications for the water meter vault, and not to perform any inspections or evaluations. The Inspector replied that he had been requested to do the installation inspections and that on several occasions the engineer was requested to provide technical input.

The Solicitor offered to write a letter to G&R Charles and inform it that the items on the punch list that can be completed at this time must be done, that it must explain how it will complete the project by March 1<sup>st</sup>, and that if not completed by that time the Authority will consider hiring another contractor. In addition, the Authority is to be contacted if problems are foreseen with a delivery date from Monarch.

At this time Lee withdrew his previous motion and moved that the Solicitor be authorized to contact G&R Charles as detailed above and request a response by March 1, 2007. Elmer seconded the motion. Motion passed by unanimous vote of the Authority.

Certificates of Analysis – The Inspector presented certificates of analysis for soil and water samples taken on December 12, 2006 at the Petersburg Commons water meter vault construction site. He noted that two soil samples showed contamination. Because of this, the soil excavated during construction was put back on the site to prevent contamination of other sites.

Grinder Pump Failure, 1305 State Road – The Inspector explained that, as a result of a grinder pump failure at 1305 State Road, he had been requested to contact Dave Matafka, the UCC inspector, to see if Mr. Matafka noticed anything unusual during his air-pressure test at the site. He relayed that Mr. Matafka found nothing unusual except that the grinder pump was out of the wet well and on its side. The Inspector informed Mr. Matafka that the Authority would be amending its R&R to disallow removal of the grinder pump by anyone other than an Authority representative. Mr. Matafka will notify the Authority if he finds any other grinder pumps removed from the wet wells.

The Inspector reported that he was informed of a clause in the construction contract stating that Doli or E-One has a one-year maintenance agreement for the grinder pumps. He noted that the Authority has been paying Operator Ed Chism and himself to do the repair and service work, which could be done through the maintenance agreement. He questioned, however, the amount of time that it would take Doli or E-One to send a service person to the site. He noted that in an emergency situation, the Operator and he could respond faster. Chairman Holman noted that the maintenance agreement would expire sometime around June 2007. The Inspector stated that he only wanted to point out that the Authority has already paid for a maintenance service but is also paying the Operator and himself to make site visits and correct the problems.

After discussion, it was the consensus that the Inspector would request the Operator to contact E-One to find out what its response time would be for grinder pump service calls.

Grinder Pump Installation Quotes – The Inspector presented quotes from Mike Diller for installation of grinder pumps at the Nguyen, Hockenberry, Brumbach, and Johnson properties. He stated that he expected to receive additional quotes from other contractors.

The Inspector offered his opinion that it was the Authority's responsibility to install the grinder pump on the Johnson property, due to its geographical limitations. He reminded the Authority that there were three property owners who did not allow Doli onto their properties to install grinder pumps, and offered that any installation costs above what was paid by the Authority for the rest of the project should be the responsibility of those property owners.

Master Meter Reports – The Master Meter reports were reviewed with the note that the Clark Street readings tend to be higher in cold weather due to residents of a trailer park leaving their water run to prevent frozen water lines.

**Engineer's Report** See Engineer's Report dated February 1, 2007

The Engineer was not in attendance at the meeting.

Lee commented on the high cost of the Engineer's invoices for site visits to Petersburg Commons and questioned the firm's hourly billing rate. Irene was requested to provide a copy of the Engineer's fee schedule to all members.

Chapter 94 Report - Chairman Holman noted that information was needed by the Borough for its 2006 Chapter 94 report. There was a Wright/Knaub motion to authorize the Engineer to provide the information requested by the Borough for its 2006 Chapter 94 report. Motion passed by unanimous vote of the Authority.

Chairman Holman noted that the Chapter 94 reports for the Cove and Kinkora wastewater treatment plants (WWTP) need to be prepared. There was a Wright/Knaub motion to authorize William Hill Associates to prepare the 2006 Chapter 94 reports for the Cove and Kinkora WWTPs. Motion passed by unanimous vote of the Authority.

**Solicitor's Report** See Solicitor's Report for January 2007

The Solicitor stated that he had no additional information to report.

Lee asked if the Solicitor's charges for work involving Business Campus One and the Warden subdivision could be charged to the respective escrow accounts. The Solicitor responded that the escrow account for Business Campus One was closed out but that the invoice for the Warden subdivision could be charged to that escrow account.

**Billing Clerk's Report**

Delinquent Accounts – The Billing Clerk presented a list of accounts delinquent as of January 31, 2007. Irene stated that letters were sent to those customers who were overdue in excess of \$250, asking that the accounts be made current prior to January 24, 2007 or they would be turned over to the District Judge for collection. She noted that some customers were making installment payments on their overdue amounts and asked how the Authority wanted to handle those accounts. She reported that account 187 has requested an extension until March 9, 2007, at which time the account would be made current.

Chairman Holman suggested that he would like to talk about the delinquent accounts in a workshop session, where the accounts could be openly discussed for balances owed, and the amount of monthly payments being made, after which a decision could be made at the next scheduled meeting. The Solicitor offered that he had no problem with the Authority talking about collection matters privately.

Irene asked what the Authority wanted to do about the extension request and about customers who are making installment payments. Lee offered his opinion that customers who have not made any attempt to pay on their accounts should be turned in for collection.

After discussion, it was the consensus to grant account 187 an extension until March 9<sup>th</sup>, after which the account would be turned in for collection if the account is not current. All other customers who have not made any payment on their accounts by February 24<sup>th</sup> will be turned in for collection. Irene will contact the District Judge's office for a fee schedule of the costs involved for turning the accounts in for collection. The Solicitor noted that any collection fees may be passed on to the customer.

**Audit of Non-Residential Customers** – The Billing Clerk presented an audit of metered non-residential sewer customers for the previous four quarters and noted that there were three non-residential customers whose water usage exceeded the amount of EDUs purchased. She explained that the purchase of one EDU for these customers equals 63,875 gallons per year and was charged at the current cost of a tapping fee. She further explained that sewer rental charges for non-residential customers were billed according to water meter readings, at a rate of \$70 for every 4,563 gallons of consumption.

The Billing Clerk noted that these three customers had purchased their original EDUs under the definition of 175 gallons per day and that the Authority has since changed its definition of an EDU to 150 gallons per day. She pointed out that Cove Centre used 77,000 gallons in excess of the 511,000 gallons purchased, equivalent to one EDU at the current EDU definition of 150 gallons per day. Mutzabaugh's Market used 411,875 gallons in excess of the 958,125 gallons purchased, an excess of seven EDUs. Sheetz Car Wash used 843,125 gallons in excess of the 63,875 gallons purchased, an excess of fifteen EDUs.

Lee noted that these three customers have been sent letters notifying them that their water usage was in excess of the EDUs purchased, inviting them to attend an Authority meeting to discuss their water usage, and informing them that, unless the excess usage was curtailed, they would be charged for additional EDUs. He added that a financial review conducted the previous year by Mark Derr recommended that the additional EDUs be billed. After discussion, there was a Wright/Holman motion to bill Cove Centre for one additional EDU at the current tapping fee rate of \$3,500 per EDU, Mutzabaugh's Market for seven additional EDUs, and Sheetz Car Wash for fifteen additional EDUs. Motion passed by unanimous vote of the Authority.

### **Treasurer's Report**

**Check Signers** – Irene pointed out that the Authority requires two signers for each check and that currently only one member has that authorization. After discussion, there was a Wright/Graybill motion to authorize Irene Graybill, Elmer Knaub, and Henry Holman, III to sign checks. Motion passed by unanimous vote of the Authority.

**Invoices and Expenditures** – After discussion, there was a Wright/Holman motion to approve payment of the January 2007 invoices totaling \$233,589.53. Motion passed by unanimous vote of the Authority.

**Approval of the Treasurer's Report** – After discussion, there was a Wright/Holman motion to approve the Treasurer's Report for the period January 1 through January 31, 2007, subject to audit. Motion passed by unanimous vote of the Authority.

**PennVest Loan Balances** – Susan reported that the balance remaining on the PennVest loan for Sunshine Hill and Lower Duncannon is \$1,196,173 and the balance remaining on the PennVest loan for Penn Manor, Susquenita Hills, Lower Cove and Perdix is \$6,248,848.

### **Incoming Correspondence**

A list of all incoming correspondence can be found on the February 15, 2007 agenda. The correspondence was reviewed with the following correspondence discussed.

Right to Know Request from Eckert Seamans – The Solicitor stated that he will send Irene a memo of the information that he feels she needs to provide to Eckert Seamans and the information she does not need to provide. He stated that he has a February 28, 2007 deadline to provide Eckert Seamans with the same information. Chairman Holman offered his thoughts that someone should be in the office at all times that an Eckert Seamans representative is reviewing the information, to assure that Authority files are not removed from the office.

Cleckner & Fearen Letter regarding Arbitration with the Borough – The Solicitor reported that an Authority member will need to be in attendance at a hearing to be held in late June 2007. He will provide more information at a later date.

### **Outgoing Correspondence**

Outgoing correspondence was circulated among the members. Members were directed to request a copy of the correspondence if they so desired.

### **Old Business**

Resolution for Imposition of Counsel Fees – The Solicitor explained that this resolution allows the Authority to pass the cost of the Solicitor's fees for account collection back to the delinquent customers. After discussion, there was a Wright/Holman motion to approve Resolution 02-15-07-01 to allow the Solicitor's fees to be charged back to the customers in matters involving debt collection. Motion passed by unanimous vote of the Authority.

### **New Business**

Preserves at Mountainside East and West – It was noted that escrow accounts have been established by the developer for the Preserve at Mountainside East and Preserve at Mountainside West. After discussion, there was a Wright/Holman motion to authorize the Engineer to review these plans. Motion passed by unanimous vote of the Authority. Irene will inform the Engineer that he can begin his review.

Resignation of Franklin Reidlinger – After discussion, there was a Wright/Holman motion to accept the resignation of Franklin Reidlinger, effective January 27, 2007. Irene will notify the PTS that the Authority has accepted Mr. Reidlinger's resignation.

Community Development Block Grant (CDBG) Income Surveys – Lee reported that Omar Syed called and asked if the income surveys for the CDBG were ready for review. Irene reported that approximately 20 surveys have been returned. Lee noted that the Authority could talk to the remaining residents on an individual basis, hire Buchart Horn to conduct the survey, or cancel the application for the grant. Irene stated that she did not think the Authority should spend money to hire Buchart Horn to conduct the survey. After discussion, it was decided that the Authority would conduct a door-to-door canvass of the residents involved in the survey. Irene was requested to provide Lee with a list of the residents who have not responded to the survey.

PennVest Reimbursement – Lee explained that this reimbursement request was for interest paid on the PennVest loan. After discussion, there was a Wright/Graybill motion for approval of PennVest

Reimbursement Request No. 24, in the amount of \$5,1333.98. Motion passed by unanimous vote of the Authority.

Letters For Request of Time Extension – Irene presented a list of Phase 1, 2, and 3 residents who were requesting extensions to the deadline for connection to the sanitary sewer. It was noted that the Authority was given authorization by the PTS to grant extensions for only 180 days. For Phase 1 customers that time frame has expired and the PTS will be requesting that those customers attend a PTS meeting and present their schedule for connection.

Irene noted that Julia Shimp has received a permit from the PTS to demolish her house and that a grinder pump was installed on the Shimp property. After discussion, it was the consensus for Irene to send a letter to Ms. Shimp, informing her that she has one year to either re-build a dwelling on the lot or pay reservation of capacity charges at an annual rate of \$400.

After discussion, there was a Wright/Holman motion to grant 60-day time extensions to the Phase 2 and 3 residents who had requested them. Motion passed by unanimous vote of the Authority. Irene will notify the residents that their requests were approved. She will also inform the Phase 2 residents that no further time extensions can be granted by the Authority.

Charles Lauck, 4 Railroad Street – Irene reported that Mr. Lauck has connected his property to the sanitary sewer; however, there is no water in the dwelling and Mr. Lauck has asked if he has to pay the sewer rental fee. Discussion was held on the unlivable condition of the property and the fact that Mr. Lauck is trying to improve it. It was questioned how the Authority would know when water was again available to the dwelling, with a suggestion that the grinder pump be pulled to ensure that the sewer system isn't being used without the Authority's knowledge. After discussion, it was the consensus that Mr. Lauck be sent a letter asking him to provide a timetable for renovation of the dwelling and explaining that, if not rehabilitated at the end of one year, he will have to pay the annual \$300 reservation of capacity fee.

Letter from HRG Regarding the Defective Air Vacuum Valves – Irene commented on the amount of information that HRG is requesting and noted that HRG already has the information because it was the design engineer for the sanitary sewer. She stated that she would like to forward a copy of the letter to Don Lavine at ARRO for his review. After discussion, it was decided to table further discussion until the March 7, 2007 meeting to allow Mr. Lavine to provide comments about the letter.

### **Executive Session**

Chairman Holman announced that an executive session would be held after the meeting is adjourned and that no action would be taken after the executive session.

### **Adjournment**

With all business completed, a Wright/Knaub motion for adjournment was made at 10:00 p.m. Motion passed by unanimous vote of the Authority.

Submitted by Susan E. Long  
Recording Secretary