

**PENN TOWNSHIP MUNICIPAL AUTHORITY**  
**PERRY COUNTY**  
102 Municipal Building Road  
Duncannon, PA 17020

April 4, 2007

The Penn Township Municipal Authority (Authority) met on Wednesday, April 4, 2007 in the Penn Township Municipal Building. Chairman Henry Holman, III called the meeting to order at 7:10 p.m. He then led the group in the recitation of the *Pledge of Allegiance* and a moment of silence and announced that the meeting was being recorded to aid in the preparation of the minutes.

Authority members present:

Henry Holman, III, Chairman

Lee Wright, Vice-Chairman

Elmer Knaub, Secretary

Henry Holman, Jr.

Irene Graybill, Executive Secretary, Assistant Secretary, and Assistant Treasurer

Professional staff present:

Dennis Shatto, Esq., Cleckner and Fearen (CF), Solicitor

Dennis Crabill, P.E., Buchart Horn (BH), Engineer

Authority staff present:

Ed Chism, Plant Operator

Sam Auxt, Inspector

Susan Long, Billing Clerk, Treasurer, and Recording Secretary

Visitors present:

Jom Kocher

Wes and Jane McKensie

John Myers, Duncannon Borough Council

**Executive Session**

The Solicitor noted that an executive session had been held prior to this meeting at 6:30 p.m. to discuss legal issues.

**Minutes**

After discussion, and upon a Wright/Knaub motion, the Authority voted to approve the March 3 and 7, 2007 minutes as presented. Mr. Holman, Jr. abstained because he had not been in attendance at those meetings. Minutes of the March 21, 2007 meeting were tabled.

**Visitors**

Jim Kocher, Princeton Street

Mr. Kocher was present to discuss his concerns about the appointment of Henry Holman, Jr. to the Authority. He noted that the Penn Township Board of Supervisors (PTS) appoints Authority members. He explained that, at the March 28, 2007 PTS meeting, Supervisor Stoner nominated Supervisor Holman to fill the Authority vacancy, with Supervisor Holman seconding the motion. The vote was 2-0 because Supervisor Shaffer was out of town that evening. Mr. Kocher then stated his understanding that Supervisor Holman announced publicly that he would renounce his position on the Authority if a resident of the Township steps forward and shows interest in the position.

Mr. Kocher offered his opinion that the new Authority member should be a ratepayer, as only two ratepayers are represented. He said he does not feel that the users in the Perdix/Cove and Sunshine Hill areas are comfortable with the current representation.

Mr. Kocher offered his understanding that, at the end of 2007, the Authority will have a budgetary surplus of \$150,000-\$200,000 and asked if that was correct. Lee stated that he believes it will be correct. Mr. Kocher noted that the Water Street project was up for litigation this summer and stated that it was his hope that the Authority did not use the surplus, or any other, money to pay for that project. He offered his opinion that, after eight years as an Authority member, he does not feel that the Authority owes Duncannon Borough (Borough) any money.

Mr. Kocher stated that he had learned an hour and a half ago that there was the possibility of a \$5 to \$10 rate increase coming in the future. He asked the Authority if that was a fact.

Henry stated that he just had a discussion with the PTS solicitor to determine whether his appointment was legal. He explained that, when the appointment was made at the PTS meeting, he opened the floor up for discussion and comments by the residents in attendance. At that time, he explained his concerns to the residents about the high cost of the rates and how an effort must be made to lower them as soon as possible, even if the reduction was only \$5 per month or \$15 per quarter. Henry informed Mr. Kocher that no one on the Authority was more concerned about rates than he was.

Henry stated his distress that, as a Supervisor, he ever signed the papers guaranteeing the PennVest loan, because he, as well as everyone involved with the loan, knew that rates would have to increase to \$800 per year. Mr. Kocher stated that, in his eight years on the Authority, the board always had revenue to pay its bills and never missed a payment. Henry explained that was because there was a \$1.5 million line-of-credit (LOC) to tap into. Irene pointed out that Henry keeps referring to the \$1.5 LOC but never mentions that the LOC was paid off June 2006.

Mr. Kocher again stated that numerous people have told him they have heard there would be a rate increase. Henry stated that he was against a rate increase. Lee explained that the financial advisor hired to help the Authority evaluate its rate schedule projected that rates would increase \$10 per quarter. However, Lee felt that rates could be lowered starting in 2008. Chairman Holman noted that the Authority would be taking on a substantial debt this fall. Lee explained that the Authority must start paying \$17,000 per month on the PennVest principal in November. Chairman Holman also offered his opinion that the surplus mentioned earlier might be needed to pay expenses if new connections to the Perdix/Cove system are not made as fast as expected. He assured Mr. Kocher that it was his intention to use as much of the surplus as possible to reduce the rates. Mr. Kocher replied that he hoped so, because rate increases devalue property and make it less desirable for new residents.

Mr. Kocher stated that, when he was not reappointed, the Authority received two letters of interest – from Lee Wright and Lynn Harbold. He explained that Mr. Harbold was, or is, a sewage enforcement officer who has knowledge of the sewer industry and who also is a rate payer. He asked that the Authority or PTS contact Mr. Harbold and see if he is still interested, so that Henry could relinquish his position as he stated at the PTS meeting.

Henry replied that he had announced that, if someone steps forward who believes that unnecessary spending must be stopped and rates must be reduced, he would step down. However, if he does not feel comfortable that the interested party would act in the best interests of the Authority, he would probably not step down. He also stated that the surplus wasn't guaranteed and that it depended on revenue and expenses. He noted that the Sunshine Hill water system needed to be improved and that the surplus might need to be tapped for that expense.

Mr. Kocher offered his opinion that placing the Engineer and Solicitor on a month-to-month status was appalling. He offered his opinion that the Authority was spending more money on a monthly basis than it would spend on an annual contract. He asked for assurance from the Authority that it would pursue what he perceives to be a conflict of interest with the appointment of Supervisor Holman.

Lee then explained to Mr. Kocher that the CDBG application for renovation of the Sunshine hill water system was denied funding from the Perry County Commissioners. He asked Mr. Kocher for any assistance he could provide in the future for similar endeavors. He also informed Mr. Kocher that he would provide him with a copy of the report from the financial advisor referred to earlier.

Ryan Coudriet, Pyramid Construction

The Inspector reported that Mr. Coudriet could not attend the meeting. He stated that the Operator and he had met with Mr. Coudriet about the proposed medical center to be constructed at Business Campus One (BCO). He provided the members with a list of questions concerning the sewer connection for their review and consideration.

Randy Rohrer, Cove Centre

Mr. Rohrer provided the Solicitor with paperwork needed for the Authority to take over the sewer facilities at Cove Centre. No action was taken at this time. Mr. Rohrer then explained that approximately 16,000 gallons per month from his freezer/cooling system are no longer going into the sewer system. He asked the Authority for additional time to evaluate his usage before he paid for additional tapping fees.

The Engineer stated that DEP has made its position clear that contact water can not be discharged into groundwater or stormwater systems, but must be discharged into the sanitary sewer. He offered that Mr. Rohrer should obtain DEP approval to discharge the contact water into the ground. He advised the Authority again that contact water should not be discharged into groundwater or stormwater systems. Mr. Rohrer stated that he would contact a DEP representative. He also mentioned that he would investigate other cooling systems.

Sam Auxt

Mr. Auxt stated that he was in attendance as a ratepayer and wanted to offer his opinion that an escrow account should be required for the medical center at BCO. He quoted from Section 6.80 of the Authority's Rules and Regulations (R&R) and explained that escrow accounts were used to pay the Engineer's expense to review plans, and to pay for any work needed to be done by the Inspector or other staff member. He stated that, as a ratepayer, he finds it very, very disturbing to think that those expenses would be paid from general funds if an escrow account is not established. He ended by stating that he is vehemently opposed to using his monthly sewer rental revenue to pay for those expenses.

The Solicitor stated that, in the past when a developer was proposing a sewer extension or addition to the sanitary system, he entered into a developer's agreement with the Authority which called for the establishment of an escrow account. He added that those instances involved offers that the sewer facilities would eventually be turned over to the Authority, and required a careful review of plans. The Solicitor stated that he has not seen an escrow account established in cases where a property owner is merely connecting to the sewer. The Inspector noted that Dollar General established an escrow account for installation of a grinder pump. He also noted that Sheetz Car Wash had established an escrow account. The Solicitor stated that he did not remember the Authority requiring escrow accounts in those instances, adding that there was nothing wrong in requiring them. He suggested that, for future purposes where a developer's agreement was not needed, the R&R should describe situations where escrow accounts would be required.

Chairman Holman stated that, technically, the only costs at BCO should be ones that involve the Engineer's evaluation. The Inspector responded that he had been called to the site by Mr. Coudriet. Upon Chairman Holman asking why he was called, the Inspector replied that both the Operator and he were requested to meet with Mr. Coudriet to answer his questions concerning his sewer connection. Chairman Holman stated that he saw it as a gray area and offered that possibly Mr. Coudriet should be dealing with the Authority instead of the Operator or Inspector.

The Engineer noted that the Uniform Construction Code (UCC) has been enacted and the Township's UCC inspector now does all inspections from the lateral back. In the past, the Inspector performed that inspection and an escrow was needed. An escrow account is not needed when the Township UCC inspector now does the same job.

The Inspector noted the possibility that a business in BCO might some day subdivide a lot. In that case, a new lateral connection would be needed. An Authority inspection would be needed at that time because the business would be connecting to the sewer main.

The Solicitor suggested that it might be helpful to get an estimate of the expenses incurred by Dollar General and Sheetz Car Wash. He offered that, if only a few hundred dollars is involved, the Authority might want to consider it the cost of doing business. The Inspector noted that, if an escrow account was not used, the funds would be returned to the property owner. The Solicitor reiterated that he was not opposed to an escrow account. However, he felt that it should be clearly explained in the R&R and should be uniformly applied.

The Operator posed a hypothetical situation. He questioned what happens when a developer builds a building for one entity, and at a later date the building is broken into four entities. He noted that the developer of the medical center has stated that he would install a header that would provide the capability to install additional water meters in the future. He asked who was going to check that the Authority's interests are protected, and suggested that it should be someone from the Authority and not the Township's UCC inspector. Henry stated that the Township office would be issuing certificates of occupancy and would know if a subdivision was occurring. The Operator asked if that would include an inspection of the water meters to ensure that proper sewer billing would occur. He stated that, to

protect its interests for sewer billing, the Authority needs to know how many water meters there are, where they are located, and who is reading them. He added that to find out that information would require inspections. He offered his opinion that, while the building is under construction, someone needs to make sure that the Authority's interests are being served. He stated that the issue is whether the Authority wishes to require an escrow account to pay the expenses of that person.

The Engineer offered that past history has shown that every potential user in the building should have a separate sewer lateral and a sampling manhole on the lateral. He suggested that the Authority give consideration to the minimum size that an office should be before a lateral is required.

Chairman Holman asked the members to review the list of questions concerning the sewer connection of the medical center and stated that they would be discussed at a future meeting when Mr. Coudriet is present.

John Myers, Borough Council

Mr. Myers reminded the Authority that the Borough had asked DEP for an extension of the deadline to submit its Chapter 94 report. He explained that this was done to give the Authority time to decide if it wanted to change the information provided concerning the number of projected connections for the Warden property buildout. He stated that, if the Authority did not want to change its projection, the Borough would add a disclaimer, because it feels there may be a problem in five years since the 192 projected EDUs may exceed the maximum capacity of the point of connection. Chairman Holman informed Mr. Myers that the issue would be addressed later in the meeting with other old business.

Mr. Myers reminded the Authority that a joint committee comprised of Authority, PTS, and Borough representatives had been established to discuss the intermunicipal agreement and the Water Street litigation. He asked Elmer and Lee to get back to him with dates in April that they would be available for a meeting. He also suggested that, if a representative can not attend, that person should designate a replacement so that the full complement of six members would be in attendance.

Mr. Myers informed the Authority of a Centre County Court of Common Pleas ruling in December 2006 declaring that committee meetings do not need to be advertised as long as no action is taken at the meeting. He presented a copy of the court's ruling.

The Solicitor asked Mr. Myers if he was saying the Borough's engineer disagreed with the Authority's engineer. Mr. Myers replied in the negative and explained that, according to the formula in the intermunicipal agreement, the Authority could be over capacity at the connection point for the Warden property. The Engineer stated that his projections were based on the intermunicipal agreement but admitted that he had no problem with the Borough adding a disclaimer because the projections would be close. The Solicitor expressed his understanding that Mr. Myers was saying the Authority could revise its submission, and if it did not, the Borough feels it would need to add a disclaimer. Mr. Myers agreed.

Chairman Holman asked Mr. Myers about the water meter vault and if it still had a moisture problem. Mr. Myers replied that he had not checked it for awhile.

**Plant Operator's Report** See April 2007 Operator's Report

DMRs – (see written Discharge Monitoring Reports dated February 2007). The DMRs were reviewed with the note that the average influent BOD level for the Cove Wastewater Treatment Plant (WWTP) was 215 mg/l, slightly below the design threshold of 240 mg/l. The Operator extended an invitation that Authority members contact him at any time with questions.

The Operator's written report was reviewed, with the following additional comments.

Cove WWTP – The Operator reported that he had sent out an EQ pump to Heim Electric for servicing. Upon questioning, he replied that there are two pumps, one of which has been replaced and the other one has had previous service work. He stated that money is included in the budget each year for servicing the EQ pumps.

The Operator noted that chemical suppliers have difficulty delivering the chemicals to the door of the WWTP because the hand trucks sink into the stones. He asked the Authority to consider asking the Township to install a small concrete pad with material left over from any of its construction projects. Henry agreed to meet with the Operator the next morning to evaluate the area involved.

The Operator asked if a decision had ever been made on requiring inspections back to the house for new sewer connections. He explained that he had originally requested this inspection as a result of increased I&I entering the Cove WWTP when the Perdix customers started connecting to the sewer system. He said that, currently, inspections are only made from the grinder pump back to the septic system. Henry stated that the Authority made the decision to inspect only to the septic tank, even though previous projects inspected back to the house. He noted that the Township's UCC inspector will inspect it as far back as the Authority wants. He continued that some residents are voluntarily replacing their old lines back to the house.

Chairman Holman asked if an amendment was needed. Henry asked whether the Authority could do that since it had not done it across the board. The Solicitor stated that a red flag is thrown up when requirements are changed in the middle of the project and said that he would want to review any changes. The Operator stated that less than 50% of the residents have connected. He reported that the Cove WWTP received 81,000 gallons on one day in March. The Solicitor stated that, if the Authority feels a revision is in order to correct the situation, it should get the appropriate people to draft it and he would review it. Henry noted that it could be a challenge for the residents who have already paid their UCC inspection fees in that they would have to be re-inspected. The Operator offered that, at the very least, the Authority should require any new connections to be inspected back to the house, the same requirement of every connection prior to the Perdix project.

The Solicitor asked what needs to be revised. Chairman Holman stated the Authority needs assurance that the line back to the house passes a pressure test. The Inspector added his understanding of the Operator's intention that, if the pressure test fails, the resident must replace the line from the grinder pump to house. The Solicitor asked if that would require a revision of the R&R. The Operator responded that that was a requirement of the R&R up until the Perdix project. The Solicitor asked if the R&R were amended to delete that requirement. The Operator said it was not amended, but the information passed out to the installers did not include the requirement.

Irene then went to the office to obtain copies of that information. Susan obtained copies of the information provided by the Township. The Operator reiterated his intention that the requirement would be for connections from this point forward and said he understood the concern about imposing the requirement on residents who have already connected. Henry suggested that a letter be sent to the residents who have obtained connection permits but have not yet connected, informing them to replace their old line as much as possible back to the house. In cases where a PVC line is already in place, request that they have that line pressure tested. Chairman Holman offered that the residents be notified that, if it is later revealed that there is I&I in their lines, they will be required to repair the lines at their cost. After discussion, there was a Wright/Knaub motion to amend the R&R to require that pressure testing be conducted on the line from the grinder pump to the house, in accordance with Authority pressure testing requirements, effective April 4, 2007. Motion passed with Henry abstaining due to the question of the legality of his appointment. Formal wording for the R&R will be approved at the next meeting.

**PennVest Letter** – The Operator noted a letter from PennVest stating that it is holding final payment until, among other reasons, a continuing education plan has been submitted and approved. He questioned what PennVest means and stated that, as an Operator, he is required by DEP to fulfill a continuing education plan to keep his license. Irene stated that she would contact Don Lavine for clarification of the requirement.

**Medical Center at BCO** – The Operator stated that he explained to Mr. Coudriet the advantages of having four separate water meters and laterals. He explained to the members that with one lateral, if the building uses 10,000 gallons and it turns out to have high-strength waste, the owner will be billed a surcharge based on 10,000 gallons. However, with four separate laterals, the surcharge would be based on the water usage of the lateral carrying the high-strength waste. He likened it to the situation at Cove Centre, where the high-strength waste surcharge is based on total water usage, even though only one unit is believed to be causing the problem. The Inspector also noted the Engineer's recommendation to have sampling points for high-strength waste. The Engineer offered that, even if four laterals were installed for future use, it does not mean that four tapping fees are required now when there is only one entity involved.

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

The Inspector's written report was reviewed, with the following additional comments.

Grease Trap Inspections – The Inspector reported that the periodic grease trap inspections are under way and that he has not noticed any problems. A discussion was held on the grease trap agreement with the owner of Tubby's. The Solicitor said he thought that Mr. Roberts has not responded with an agreement and said that he would contact the owner to find out the status of the agreement.

Cove Centre Wet Well Repair – The Inspector reported that the wet well at Cove Centre has a leak that is resulting in infiltration. He said that the quote received by the owner for the repair is in excess of \$700. He suggested that the deed of dedication should not be accepted until after the owner has made the repair. He stated that the owner is aware of his responsibility to perform the repair.

Master Meter Report – The Master Meter reports were reviewed without comment.

Ready to Serve Charge – The Inspector presented language for inclusion into the R&R concerning the ready to serve charge. He noted that action approving the charge had been taken at the March 7, 2007 meeting. Discussion was held on the language of the regulation, with several changes made. After discussion, there was a Wright/Knaub motion to approve the inclusion of a ready to serve charge in the R&R, in the form presented to the recording secretary. Motion passed, with Henry abstaining due to the question of the legality of his appointment.

Installation and Testing of Precast Concrete Chambers – The Inspector had provided suggested language for testing of precast concrete chambers at a previous meeting. It was the consensus to table discussion until the May 2, 2007 meeting.

**Engineer's Report** See Engineer's Report dated April 4, 2007

Warden Property – The Engineer reported that he is waiting for a plan re-submission. Elmer noted that a motion had been approved at a previous meeting denying testing of Well #2 and asked if the developer had been notified. Irene stated that she did not inform Alpha Consulting of the result of the motion.

Preserve at Mountainside East and West – The Engineer reported he had submitted his comments at the March 7, 2007 Authority meeting. He stated that he has since received additional information for review, but it does not change his original comments. He stated that, according to the additional information, the developer will be constructing a 30,000 gpd WWTP in the A/R district. However, after subtracting that flow from the projected 580,000 gpd, there still remains 550,000 gpd to be treated in the Cove WWTP, which cannot handle that amount of flow. He said his original comment that the Authority does not have sufficient capacity in the WWTP to handle the flow still stands, as does his comment that the Authority does not have a public water supply in the area.

The Solicitor then asked the Engineer if he saw any reason to issue any revised comment based on the narrative he had recently received. The Engineer replied in the negative.

The Solicitor then recommended that Irene forward the Engineer's comments to the Penn Township Planning Commission (PTPC) and the developer.

Discussion was then held on the sewage mailer for the development and whose responsibility it would be to complete it. It was noted that the plan has been tabled on the Township level, and that the mailer would have been tabled as well. The Solicitor offered his concern that there should be no loose ends. It was never decided what would be done with the mailer, although a suggestion was made to question the PTPC about it.

Henry pointed out that, contrary to popular belief, Mountainside East and Mountainside West are not two separate properties. He explained that the 1,155 acres involved are all one parcel and not two separate parcels. He also noted that Mountainside West is within 3,000 feet of the public sewer system and, by ordinance, must be connected.

Henry asked if Buchart Horn conducted a traffic study that showed access for the development through Holman Drive. The Engineer replied that his firm did a traffic study but he did not know what was in it. Henry asked for a copy of the study. The Engineer replied that the Township should have a copy, with Henry stating that it did not. The Engineer stated that he would try to obtain a copy of the study for Henry, but was unsure if he would be successful.

Kinkora Home Expansion – The Engineer reported that new plans and an escrow fund have been received for the Kinkora Home expansion project. Irene added that a sewer planning module was also received. The Engineer was asked to review the plans. The Solicitor noted that he had previously provided copies of the developer's agreement to the members. He offered that an amendment might be needed as it mentions a 12,000 gpd flow for a five-year period, which has since expired. He added that the agreement mentions a 100% surcharge for exceeding that flow. The Solicitor will provide a copy of the developer's agreement to the Engineer.

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

Petersburg Commons – Chairman Holman noted that discussion on payment of just compensation for the additional ROW needed at Petersburg Commons was discussed during executive session. At this time there was a Knaub/Wright motion to offer \$750 as the fair market value for the ROW acquired for the water meter vault. Motion passed, with Henry abstaining due to the question of the legality of his appointment.

Water Street Arbitration – Henry noted that the Authority uses more of the Water Street line than the Borough uses. The Solicitor responded that was completely inconsistent with his understanding of the line. Henry stated that the flow is created by more users from Penn Township than the Borough. The Solicitor stated that the engineering study he is aware of shows that the Borough's flow is eight times that of the Authority. He said that, if the Borough has an engineering report that shows what the flow is, he would be willing to look at it. He offered that the intermunicipal agreement absolutely, explicitly calls for cost sharing to be based on flow, and the Authority should pay based on the agreement. If the Authority's flow is 80%, then the Authority should pay 80%, aside from I&I.

Henry offered his opinion that he would like to see the Water Street issue get to arbitration and be resolved. He also offered that half of the reserve mentioned by Mr. Kocher will be used for legal fees and the payment of professional witnesses. Lee asked if the witnesses would have to be paid and how much it would cost. The Solicitor stated that the need for expert witnesses will be based on how the case develops and that he will be able to provide an estimate of the cost at a later date.

Elmer asked if rates will have to be raised if the Authority has to pay what the Borough is asking for. The Solicitor offered his opinion that they would have to be raised, because of the large cost involved. Henry noted that the \$700 per month original estimate could have been paid without a rate increase. The Solicitor then stated that it would have an impact on the budget at some point. Irene pointed out that the \$8,800 monthly payments to the Borough would stop in 2010, with Mr. Myers offering they will end in 2013. Lee calculated that the \$700 monthly payments equate to approximately 1.8% of the budget.

Water Meter Vault - Henry asked about the status of the certified drawings. Chairman Holman answered that the proposal from Buchart Horn for the Engineer to complete the certification is on his desk and he has not signed it. The Engineer explained that he was not involved in the inspection process while the water meter vault was being constructed.

Irene announced that she had to leave at 10:00 p.m. and asked to have the following items discussed at this time.

Sheetz Car Wash Purchase of Additional EDU's – Irene reported that Brian Soyka of Sheetz Car Wash was in the office and informed her that Sheetz had originally purchased two EDUs, not one as has been discussed. She verified that Sheetz had indeed purchased the two EDUs. Susan noted that, at the March 7, 2007 meeting, it was decided to bill Sheetz for an additional fifteen EDUs. Since Sheetz had already purchased one extra EDU that no one was aware of, it should now only be billed for fourteen additional EDUs. At this time, there was a Holman/Wright motion to bill Sheetz Car Wash for fourteen additional EDUs. Motion passed, with Henry abstaining due to the question of the legality of his appointment.

Petersburg Commons Damaged Curb Boxes – Irene reported that she had contacted the Petersburg Commons Homeowner's Association about the damage done to the curb boxes by the residents during snow removal. She stated that the Homeowner's Association responded that the Authority should contact each homeowner involved on an individual basis. She offered her concern that the homeowner may not know how to, or be able to, fix the damage and asked for direction from the Authority. Chairman Holman offered his opinion that, if the Authority repairs the

damage and bills the homeowners, there is a good chance that the bills will not be paid. He added that, for the minimal expense involved, it might be better for the Authority to fix the damages and be done with it. He suggested that a letter be sent to the homeowners involved, asking them to repair the damages and to attend the next meeting if they have questions. The Solicitor offered that the Homeowner's Association should deal with each homeowner. Irene stated that she would again ask the Homeowner's Association who authorized the snow removal.

Letter from Larry Miller – Irene reported that Mr. Miller had received the Authority's letter informing him that he would be billed for his properties involved in phase one of the sewer project, even if the properties are not connected. She stated that Mr. Miller forwarded a list of his tenants and that he asked that they be billed. She stated that she will inform Mr. Miller that the Authority bills property owners, not tenants.

Civil Complaint Forms for Delinquent Accounts – Irene reported that it will cost the Authority \$1,037.50 to file charges with the District Justice's office for collection of delinquent sewer and water accounts. She noted that the filing charges would be back-charged to the property owner. Chairman Holman noted that it would cost \$1,037.50 to collect \$8,000. The Solicitor noted that there was no choice, the Authority had to incur a filing fee. Lee stated that this action had been previously authorized and offered that it had to be done. Lee said that he was made aware that all property owners, if jointly owned, must be listed on the complaint form. Irene stated that both owners do not have to be listed on the form, but it is preferable if they are. She added that she had used the Township's tax book to obtain the owners of record.

Motion to Extend Meeting – At 10:00 p.m. there was a Holman/Knaub motion to extend the meeting to allow for the completion of business and to have the Solicitor stay until the end of the meeting. Motion passed, with Henry abstaining due to the question of the legality of his appointment.

#### Continuation of Water Meter Vault Discussion

The Engineer asked what his firm stamped that did not meet specifications. Henry pointed out the differences between the meter vault as constructed and the specifications for its construction. Henry stated that he did not know why the Authority should pay for the Engineer to research the construction for certification when he has been the Engineer from the beginning of the project. The Engineer replied that his contract did not call for him to do the inspections and that the Inspector handled them. Henry replied that the Authority never authorized the Inspector to inspect the vault. Henry asked the Solicitor if there would be a problem if the Borough offered to accept the meter vault as is. The Solicitor replied that he could see no problem. After lengthy discussion, it was the consensus that Henry would talk to Borough Council at its April 17, 2007 meeting and ask if it would accept the water meter vault as is, subject to minor changes, to avoid Engineer expense for certification.

Engineer Wages – Lee asked the Engineer what his title was. The Engineer reported that he was Senior Staff Engineer, Grade 9. Lee asked if it would be cheaper to have someone else represent the firm. The Engineer replied that it would be cheaper to have a lower grade engineer at the meetings and if the Authority wanted him to look into it, he would.

Flow versus Capacity – The Solicitor offered the following comments. He said he wanted the Authority to know that the Borough has been claiming that cost sharing is based on capacity. If it now believes that costs are shared on the basis of flow, why don't both parties agree to that, turn the engineers loose, and let them figure out what the number is. It is not a legal issue; flow is an engineering issue.

Cocco Development – Sam reported that Irene had provided him today with record drawings and a grinder pump easement dated June 1, 2005. He asked if the deed of dedication for Cocco Development negates the need for a grinder pump easement, if a deed of dedication is needed at all since no sewer extension was involved, and if a grinder pump easement would suffice. The Solicitor offered his opinion that, if there is a grinder pump easement, it should be enough. He stated that he would review the easement.

#### **Billing Clerk's Report**

Delinquent Accounts – Susan presented a list of accounts delinquent as of March 31, 2007. She stated that she did not know which of the accounts Irene was going to turn in for collection.

### **Treasurer's Report**

Invoices and Expenditures – After discussion, there was a Wright/Knaub motion to approve payment of the March 31, 2007 invoices totaling \$20,389.88. Motion passed, with Henry abstaining due to the question of the legality of his appointment.

Financial Report – It was the consensus that Susan would transfer tapping fee and interest revenue into the Capital Reserve every month, as had been discussed by the budget committee.

Inactive Escrow Accounts – Susan presented a list of inactive escrow accounts and asked for direction on whether they should be refunded to the developer. The list was reviewed with the following results. The Cocco Development escrow will be held until the Solicitor completes his review of the grinder pump easement. The Duncannon EMS escrow will be held because there may be action on the plan in the near future. The Sheetz Car Wash escrow will be held until a deed of dedication or grinder pump easement can be located. The Susquenita escrow account for the Preston property will be held until the deed of dedication can be located. There was a Wright/Knaub motion to return the Bill Rohrer escrow, in the amount of \$2,500, and the Carl Baker escrow, in the amount of \$1,792.50. Each developer will receive a letter informing him that a new escrow account will need to be established if the plan is re-opened in the future and expenses are incurred by Authority staff. Motion passed, with Henry abstaining due to the question of the legality of his appointment.

Dino's Grille – Susan noted that the Authority has reservation of capacity agreements with owners of unimproved lots where grinder pumps were installed. The agreements specify that, within one year of receiving a connection notice, the owners will either connect or pay a \$300 annual reservation of capacity charge. She pointed out that there is a grinder pump installed at Dino's Grille and asked what the difference is between that property and other unimproved parcels with grinder pumps. After discussion, there was a Wright/Holman motion to notify the owner that a reservation of capacity agreement would be needed for the Dino's Grille property. Motion passed, with Henry abstaining due to the question of the legality of his appointment. Irene will be asked to send the letter.

### **Incoming Correspondence**

A list of all incoming correspondence can be found on the April 4, 2007 agenda. The correspondence was reviewed with the following correspondence discussed.

PTMA Office Lease Renewal – After discussion, there was a Wright/Holman motion to sign a new lease agreement, with no change in any terms or conditions. Motion passed, with Henry abstaining due to the question of the legality of his appointment.

### **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**

Chapter 94 Report – After discussion, there was a Knaub/Wright motion to approve the Chapter 94 Report, as presented. Motion passed, with Henry abstaining due to the question of the legality of his appointment.

BCO Water System - Chairman Holman asked for discussion on whether the Authority wished to accept the water facilities at BCO from the Perry County Economic Development Corporation (PCEDC) at no charge. Elmer stated that he had toured the facilities with the Operator and said he felt that there would not be enough revenue generated to pay the expenses of the facilities. Lee agreed that the Authority should never ask the present ratepayers to pay for the BCO facilities, but offered that it would be great asset to the Township. He stated that any monetary shortfall should be subsidized by the Perry County Commissioners or PCEDC. Elmer offered that he did not think those parties would be agreeable to subsidize the expenses. Henry asked how it could be a great asset. Lee responded that a

large water storage facility would be an asset in the future. Elmer agreed, if it were made a community system with a large customer base, which might be difficult. Henry offered his opinion that the facilities would be a liability and not an asset. Elmer offered that he felt accepting the facilities would create a financial burden for the Authority. Lee asked the Authority if it would accept the facilities if the Commissioners provided financial backing. After discussion, it was the consensus that Lee would meet with the Commissioners, tell them why the Authority was not interested in acquiring the facilities, and see what their response is. He will report back to the Authority at the April 24, 2007 meeting.

Susquenita School District (District) – The Inspector noted that the issue of the District's developer's reimbursement has never been resolved. He stated his understanding that the Authority feels it owes the District approximately \$28,000, with the District feeling that it is owed more. He explained that the agreement did not include a cap on the amount of money to be reimbursed. He then suggested that, since there is a new superintendent at the District and several new Authority members, the Authority should re-open discussion with the District to get this issue resolved.

Nguyen Grinder Pump Easement – The Inspector noted that a grinder pump easement had been signed by Mrs. Nguyen at the December 2006 meeting and stated that, if it has not yet been recorded, it needs to be. Chairman Holman stated that he would check on the status of the agreement.

### **New Business**

Plaque for Robert E. Shaffer, Sr. – After discussion, there was a Wright/Holman motion to present a plaque to Mr. Shaffer in appreciation of his many years of service to the Authority. Motion passed, with Henry abstaining due to the question of the legality of his appointment.

Time Extensions for Phase Three – After discussion, there was a Wright/Knaub motion to grant time extensions of sixty days to residents in Phase Three of the sewer project who requested them. Motion passed, with Henry abstaining due to the question of the legality of his appointment.

Requests for Proposals (RFP) – Lee noted that the Engineer and Solicitor have been working on a month-to-month basis. He stated that the Authority has a rate schedule from both, along with a proposal from ARRO. Chairman Holman reminded the Authority that there was a possibility that a lesser grade engineer could be sent by Buehrt Horn. He asked if the members wished to advertise for the positions. Lee pointed out that the Authority was not trying to get rid of either professional, but was trying to be financially responsible. There was a Knaub/Wright motion to solicit RFPs from legal and engineering firms. Motion passed, with Henry abstaining due to the question of the legality of his appointment.

### **Meeting Date**

It was decided to schedule another meeting for April 24, 2007 at 7:00 p.m. to discuss the water meter vault, the BCO water facilities, and the BCO medical facilities.

### **Adjournment**

With all business completed, a Knaub/Wright motion for adjournment was made at 11:20 p.m. Motion passed, with Henry abstainng.

Submitted by Susan E. Long  
Recording Secretary