

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

April 24, 2007

The Penn Township Municipal Authority (Authority) met on Tuesday, April 24, 2007 in the Penn Township Municipal Building. Chairman Henry Holman, III called the meeting to order at 7:00 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

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

Authority staff present:

Susan Long, Billing Clerk, Treasurer, and Recording Secretary

Visitors present:

Warren VanBuskirk, Perry County Commissioner

John Myers, Duncannon Borough Council

Ryan Coudriet, Pyramid Construction

John Kauffman

Robert Laughner

Jim Helsel

**Minutes**

After discussion, and upon a Wright/Knaub motion, the Authority voted to approve the March 21, 2007 minutes as presented. Minutes of the April 4, 2007 meeting were tabled.

**Visitors**

Ryan Coudriet, Pyramid Construction

Mr. Coudriet stated that his firm would be constructing the Family Medical Center at Business Campus One (BCO). He stated that 16,000 square feet would be leased and occupied solely by Holy Spirit Hospital (Holy Spirit). Another 2,400 square feet would remain vacant, leased by Holy Spirit for future exclusive expansion of the medical center. He stated that the lease was for twenty years. He presented a copy of the lease, which specified that Holy Spirit will be leasing the entire building. Lee asked if the projected water use was still 98 gallons per day, and was told that it was. Mr. Coudriet explained that there were several restrooms, along with sinks in the examining room, and that the medical center would not be a big water user. He stated that there would be physical therapy, family practice and imaging departments. In answer to Lee's question, he responded that there would not be a dialysis department because there was not enough water flow to the building. He added that the imaging center would use digital technology, with no discharge of developing fluid.

Chairman Holman stated that the Authority had been concerned that Holy Spirit might sublease part of the building to a separate entity, which would require separate sewer laterals. However, since there was only one entity involved, Holy Spirit, he said that he felt only one water meter and one lateral would be needed.

Mr. Coudriet asked who would do the final sewer inspection and was told that the Township's UCC inspector would handle the inspection. He was told to contact the Authority office if he had any future questions or concerns.

Commission Warren VanBuskirk

Commissioner VanBuskirk noted that the Perry County Economic Development Corporation (PCEDC) had proposed turning the water facilities at BCO over to the Authority at no charge. He stated that he was aware of the Authority's financial concerns over the operation of the facilities. He stated that Bill Bunt, the County's solicitor, is researching whether the County can loan money to a municipality. If it is allowed, Commissioner VanBuskirk is prepared to introduce a motion at the next Commissioner's meeting that would provide a five-year interest-free loan in the amount of \$25,000 to the Authority toward the costs of operating the system. He asked the Authority to consider if that financial aid would make a difference in its decision whether or not to take over the water facilities.

Lee asked what would happen if the Authority took over the facilities but decided to sell in two years because there was no more development at BCO. Commissioner VanBuskirk responded that, if PCEDC sold the facilities to a water company, 60% of the selling price would have to be returned to EDA. He did not know if the Authority would have to return 60 % to EDA and stated that Mr. Bunt was researching that issue also. Lee offered that he would like to see PCEDC continue to operate the facilities for one more year, to give the Authority time to assess its financial condition.

Chairman Holman stated that the Authority is not in good financial condition to take over the facilities. Commissioner VanBuskirk asked the Authority to consider what it would do if the \$25,000 loan were available. He suggested that, if the Authority wants to further consider acquisition of the water facilities, it should attend the next PCEDC meeting.

## **Reports**

Written Comments from Inspector Sam Auxt

Revisions to the Rules & Regulations – It was the consensus to address the revisions concerning the ready-to-serve charge, testing of precast concrete chambers, and prohibited waste discharges at the May 2, 2007 meeting.

Cove Centre Wet Well Repairs – Irene will ask the Inspector to help her draft a letter to the owner of the Cove Centre, informing him that the wet well must be repaired prior to the Authority accepting the Deed of Dedication.

Duplex Grinder Pump Location Spreadsheet – A spreadsheet containing all duplex grinder pumps installed during the sewer project, with the number of taps and tapping fees associated with each pump, was reviewed. It was the consensus to request that a representative of the Garden Seat Tea Room attend the May 2, 2007 Authority meeting to discuss the number of tapping fees required. The spreadsheet will be further reviewed at the May 2<sup>nd</sup> meeting. Irene will use the information on the spread sheet to determine the number of tapping fees to be charged for future, and possibly some past, connections.

Tubby's Lounge Grease Trap Agreement – Irene stated that she does not think that Mr. Roberts ever forwarded a signed grease trap agreement to the Authority and that she has sent him another agreement for his signature.

Written Comments from the Engineer

Review of Kinkora Nursing Home Expansion Project – The Engineer has projected an additional 42 EDUs with the expansion, for a total usage of 10,803 gpd, below the permitted capacity of 15,000 gpd of the wastewater treatment plant (WWTP). Lee asked if Kinkora would be charged for the additional EDUs. It was the consensus that there would not be a charge since Kinkora paid for construction of the WWTP. After discussion, there was a Wright/Knaub motion to recommend approval of the Kinkora expansion to the Penn Township Supervisors (PTS). Motion passed by unanimous vote of the Authority.

Engineer's Attendance at May 2, 2007 meeting – After discussion it was the consensus that Lee would call the Engineer and tell him that he was not needed at the May 2<sup>nd</sup> meeting. Lee is also going to ask the Engineer about the possibility of Buchart Horn sending a lower-grade P.E. to provide engineering services to the Authority.

Written Comments from the Solicitor

Sunshine Law - Chairman Holman noted that the Solicitor had provided a Centre County Court ruling concerning how the Sunshine Law affects committee meetings. He asked the members to review the ruling for future discussion.

Petersburg Commons Meter Vault – A letter from the Duncannon Borough (Borough) solicitor was reviewed. The letter suggested modifications to be made to the Interconnection Agreement between the Authority and the Borough as a result of the meter vault construction. Two of the modifications – installation of a pipe in the meter vault drain channel, and construction of a swale on the north side of the meter vault – remain to be completed by G & R Charles. Borough Council representative John Myers noted an error in the agreement – "...certification of the vault by PTMA's professional engineer..." should read "...certification of the vault by Monarch's engineer..." Chairman Holman explained that Monarch, the manufacturer, certified the vault with its engineer's stamp and questioned why the Authority would pay its Engineer to re-certify the vault. After discussion, there was a Wright/Knaub motion to accept the modifications to the Interconnection Agreement, with the above-mentioned change. Motion passed by unanimous vote of the Authority. Chairman Holman made and initialed the change on the Agreement and the appropriate members signed the Agreement.

### **Old Business**

Letters from Franklin Reidlinger Requesting Time Extensions for Connections of Two Properties along State Road – It was noted that Mr. Reidlinger is part of Phase Two, and time extension requests for Phase Two are now being forwarded to the PTS for its consideration.

Advantage Engineering Proposal to Provide Financial and Hydrogeologic Assistance – Advantage Engineering has proposed two options for the additional water capacity needed for the Warden property.

- Test wells 1 and 2 to confirm capacities. If existing capacities exceed 62,500 gpd, Yingst Homes would contribute towards the design and construction of a storage tank.
- Construct a back-up well for the Authority and provide financially towards the design and constructions of a storage tank, less the cost for the construction and testing of the back-up well.

After discussion, there was a Knaub/Wright motion to make a counter-proposal to Advantage Engineering that Yingst Homes provide a standpipe, well, and any necessary treatment to supply water to the Warden property. Motion passed by unanimous vote of the Authority. Elmer will help to compose the letter to Advantage Engineering.

G&R Charles Excavation, Invoice for Petersburg Commons Meter Vault - Chairman Holman noted the amount due to G&R Charles at this time was \$45,600, with 5% being held as retainage for work that remains to be completed. Discussion was held on the amount being retained, with the consensus that \$2,400 was large enough to install the channel drain and swale. Irene relayed the Solicitor's concern that, if the Borough does not accept the meter vault, the Authority might want to file liquidated damages on G&R Charles. Chairman Holman responded that he felt the Borough would accept the meter vault. After discussion, there was a Holman/Wright motion to pay G&R Charles in the amount of \$45,600, subject to the contractor's willingness to install the channel drain and construct a swale in accordance with the Interconnection Agreement. Motion passed by unanimous vote of the Authority. Chairman Holman will contact G&R Charles tomorrow about construction of the swale.

### **New Business**

RFPs for Engineering and Legal services – It was noted that one way for the Authority to reduce costs was to request comparative bids for engineering and legal services. After discussion, it was the consensus to advertise for proposals for these services. The ad will run in the Patriot News for three consecutive days.

U.S. Department of Agriculture (USDA) Grants – Irene reported that Senator Corman's office is willing to schedule a meeting with USDA representatives to discuss possible grant funding. It was noted that earlier attempts by residents to obtain USDA grants were unsuccessful due to the extremely low income level required. It was also noted that ratepayers have been calling Sen. Corman's office to complain about their high sewer rates and that all possible avenues for financial relief should be explored. Irene will call Sen. Corman's office for mutually agreeable times to meet with the USDA representatives.

Donadee Tapping Fees, 1134 State Road – Irene reported that Mr. Donadee had paid one tapping fee for his apartment building, but owes another three EDUs. She asked if he should be charged at the discount rate of \$2,120.00, the amount he paid for the first EDU. It was the consensus that the additional EDUs should be charged at

the original rate of \$2,120.00 per EDU. Irene will contact Mr. Donadee and inform him that the three additional EDUs must be paid for before he can connect the apartment building to the sanitary sewer.

Resignation of Recording Secretary – After discussion, there was a Wright/Knaub motion to accept the resignation of Susan Long as recording secretary, effective July 31, 2007, and to advertise the vacant position in the Duncannon Record. Motion passed by unanimous vote of the Authority.

Engineer Bill for Flow Evaluation - Susan noted that the Engineer had submitted a bill in the amount of \$2,566.08 for flow evaluation and asked from what budget category it should be paid. After discussion, it was the consensus that the bill not be paid until a written report of the result of the evaluation is received. Irene was requested to contact the Engineer and request a copy of the report.

Acquisition of BCO Water Facilities – Elmer again noted his concern over the amount of expenses associated with operating the water system at BCO, compared to the small amount of revenue that will be generated. He noted the small customer base, the fact that there would only be eleven customers at BCO at build-out, and not much opportunity for expansion outside BCO. He stated that he did not feel the offer of a \$25,000 loan from the Commissioners would help. Elmer pointed out that there is known contamination in the area that could spread to the well when it is pumped regularly. Irene offered her opinion that, if it was a "normal" water system she could agree to its acceptance. She also noted that eleven would be the maximum number of customers and that the first customer would only be using 98 gpd. Elmer stated that it would not be fair for the other water customers to subsidize operation of the facilities.

Lee thought it would be good if PCEDC would operate the facilities for one more year and then give the Authority a chance to take it over. He stated that there was a possibility of a dialysis company moving into BCO, which would generate more revenue because of its high water usage. He also offered the possibility that the Authority could accept the \$25,000 loan and eventually sell the facilities. Elmer pointed out that the \$25,000 loan would have to be repaid. Chairman Holman asked if the Authority was willing to jeopardize its financial situation by accepting the facilities. He then asked if the Authority wanted to vote on the acquisition this evening or schedule a discussion with PCDEC to further discuss the financial implications.

After discussion, there was a Knaub/Holman motion to no longer entertain the possibility of accepting the water facilities at BCO, due to the negative financial consequences. Motion passed by unanimous vote of the Authority.

### **Adjournment**

With all business completed, a Wright/Knaub motion for adjournment was made at 9:10 p.m. Motion passed by unanimous vote.

Submitted by Susan E. Long  
Recording Secretary