

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

February 6, 2008

The Penn Township Municipal Authority (Authority) met on Wednesday, February 6, 2008 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
Henry Holman, Jr.

Professional staff present:
Dennis Shatto, Esq., Cleckner and Fearen (CF), Solicitor
William Hill, William A. Hill Associates, Engineer

Authority staff present:
Sam Auxt, Inspector
Edward Chism, Plant Operator
Helen Klinepeter, Acting Recording Secretary

Visitors present:
Jeffrey Linsnbach

Minutes

Upon a Wright/Knaub motion, the Authority voted unanimously to approve the January 2, 2008 minutes as presented.

Visitors

Jeff Linsnbach

Mr. Linsnbach was present to discuss a Notice to Connect that he received from the Penn Township Supervisors (PTS) concerning his property at 1611 State Road. He stated that the property is vacant and that he intends to sell it in the near future. He offered his opinion that the property would be purchased by an adjoining business and the structure demolished. With that in mind, he asked to be excluded from connection to the sanitary sewer system. Chairman Holman explained that Mr. Linsnbach could purchase a Reservation of Capacity (ROC) at an annual fee of \$300, which would guarantee capacity in the wastewater treatment plant (WWTP) if Mr. Linsnbach would want to connect in the future. He added his concern over the possibility that, after the ROC is purchased, the house might become inhabited again, without being connected to the sewer line. He suggested that the septic tank be filled in and abandoned, to ensure that the property would have to be connected if it became inhabited. Mr. Linsnbach asked if he could just disconnect the electric and stated he was willing to put in writing that he would not rent the property. After discussion, there was a Wright/Knaub motion that Mr. Linsnbach would not be required to connect to the sanitary sewer if he purchased ROC and if the electric meter base was disconnected. Motion passed by unanimous vote of the Authority. Mr. Linsnbach was requested to contact the Authority office to sign the ROC agreement.

Plant Operator's Report See written report for January 2008.

DMRs (See written Discharge Monitoring Reports dated December 2007.) The DMRs were reviewed with the note that the influent BOD at the Cove WWTP was below the Authority's design limit of 240 mg/l. He extended an invitation for Authority members to contact him at any time with questions.

DEP Cove WWTP Inspection – The Operator referred to a letter from DEP concerning its January 9, 2008 re-inspection of the Cove WWTP. He noted the violation that the flow chart recorder was not operating as designed, and the comments that significant odors were detected from the equalization tank, and that the sludge blanket should be monitored. He then reviewed the remainder of the report and explained to the members what procedures he would take, and had taken, to comply with DEP's recommendations.

DEP Kinkora WWTP Inspection – The Operator referred to a letter from DEP concerning its January 9, 2008 inspection. He noted the violation that the comminutor was not in place, and explained that it has not been in use for ten years, using instead the bar screens. He stated that he has contacted DEP and has asked if the WWTP can be re-permitted without the comminutor, but has not yet received a response. He then reviewed the remainder of the report and explained to the members what procedures he would take, and had taken, to comply with DEP's recommendations.

Sunshine Hill Water System – Elmer thanked the Operator for the tour of the Sunshine Hill water system and stated his concern over the condition of the pressure tanks and pipes. He suggested that the Authority should have a plan ready in case the pipes should fail. Henry stated that he was concerned about the condition of the system years ago when Penn Township was approached to purchase the system. He noted that Duncannon Borough had offered to make an inter-connection in case of such an emergency but the Authority at that time refused the offer.

Inspector's Report See Inspector's Report for January 2008.

Master Meter Reports – The Master Meter reports were reviewed with the note that there was an increase in the flow per day per EDU through the Ann Street meter the week ending January 30th. The Inspector stated that he cleaned the sensor and that the reading taken earlier today appeared to be back to normal. He will continue to monitor the meter.

Ice Storm Damage – The Inspector reported that, after the restoration of the electricity in Perdix after the January ice storm, there were six E-One grinder pump malfunctions, alarms were set off on two Myers pumps, and one pump malfunctioned due to water entering the connections.

Fasnacht Property, 1038 State Road – The Inspector relayed that, according to the owner, there are three units in the apartment building on the property. He stated that he did not know how many tapping fees had been paid by Mr. Fasnacht. It was noted that there was also a trailer on the property, which has been connected to the sewer system. Irene will be requested to research the number of tapping fees paid by Mr. Fasnacht.

Petersburg Commons Water Meter Vault – Lee asked if there was any water lying in the bottom of the vault. The Inspector reported that there was enough to fill the sump, adding that he did not think there was a leak and that it was probably due to condensation.

SR 849 "Subway" – The Inspector reported that PennDOT has hinted to the Township highway crew that the water in the subway is coming from the lot around the meter vault and is the owner's responsibility. He asked if the owner was the Authority or Petersburg Commons Inc. and offered that the matter may need to be discussed at a later date.

Kinkora Home Expansion – The Inspector noted that a new lateral and grease trap were installed during the expansion project for the Kinkora Home and asked if the Authority should have a copy of the shop drawings. Chairman Holman and the Engineer responded that specifications on the grease trap would be good to have. The Inspector was asked to request information on the grease trap and the as-builts from Kinkora.

December 2007 and January 2008 Site Visits – The Inspector reviewed a list of properties visited by Chairman Holman and himself over the past several months. The following were discussed:

- Reidlinger Properties, State Road - Chairman Holman noted that Mr. Reidlinger had requested time extensions for connection of these uninhabited properties approximately a year ago. He stated that he felt a letter should be sent to Mr. Reidlinger asking him for an update on his plans for the properties. Irene will be asked to contact Mr. Reidlinger for the information.
- Beemer Property, 1432 State Road – The two buildings on this property are to be served by a duplex grinder pump (DGP) but have not yet been connected to the sanitary sewer. The buildings are in the process of being remodeled and are gutted. Irene will be asked to contact the Solicitor to see where the citing process is for this property.
- Schamber Property, 1129 State Road – This property did not have a grinder pump installed during the construction phase because the septic tank will need to be removed to provide space for the pump. Irene will be asked to contact the Solicitor to see where the citing process is for this property.

Line and Pump Flushing – The Inspector reported that the gravity main and DGP at Cove Centre malfunctioned due to excessive grease infiltration. He stated that the large grease trap for Hong Kong Express appeared to be working properly. He added that The Dawg House and Java Junction are both serviced by under-counter grease traps that are inspected approximately every three months, and which appear to be working properly. He asked if the Authority wished to solicit bids for flushing and cleaning of the gravity main and DGP.

Discussion was held on the possible source of the grease. Chairman Holman asked if a BOD sample could be taken to determine which business is originating the grease but was told that the sample would be a composite of all three businesses and would not pinpoint the source. Chairman Holman then suggested that a BOD sample be taken and the results presented to the Cove Centre's owner, who would be asked to alleviate the problem. He offered that it might be a good idea to flush the main and the DGP. The Inspector will get a quote for the flushing when he gets quotes for the flushing of the three wet wells in Duncannon. He also said that he would get a quote for flushing the gravity line on Shearer Drive, which possibly flows uphill. Additionally, when Water Street is under water, the Petersburg Commons manhole on SR 849 gets backed up, and should be flushed. He will present the quotes to the Authority when they are received.

1219 State Road – The Inspector reported that the owner of the property of 1219 State Road would like to place four feet of backfill over the grinder pump, in order to landscape his property. He told the owner he did not think it could be done and informed him that he should appear at tonight's meeting to make his request. The owner was not in attendance.

Ward Property, State Road – The Inspector reported that Ms. Ward owns two properties on State Road. The first is an undeveloped lot with a lateral in the northern extension of the Perdix/Lower Cove project. He asked if she should be informed of the possible development of the Dersham property and her ability to ROC for future development of her property. In addition, she owns a vacant storage building beside Serene Salon, which at one time was to have been connected to the grinder pump that serves Serene Salon. He asked if she should be notified of the limited availability of capacity in that line and her ability to purchase ROC for it.

Chairman Holman offered his opinion that a letter be sent to Ms. Ward informing her that future capacity in both lines could be limited and that, if she had any plans for developing the properties, she should consider purchasing ROC. Irene will be requested to write a letter to Ms. Ward communicating this.

Rohrer/Schranz Property, 1503 State Road – The Inspector asked about the status of connection for this property. He noted that a DGP had been installed and that the property was vacant. It was noted that there had been talk of demolition, although a permit was never received from the Township. No action was taken.

Sheetz Car Wash Water Usage – Discussion was held on the number of EDUs presently connected to the low-pressure line servicing the Sheetz Car Wash compared to the available capacity in the line. Chairman Holman noted

that 63 EDUs are currently connected. The Engineer stated that number was fairly high for a 2" line and asked how many grinder pumps those EDUs represented. He offered that there was a safety factor involved in that several pumps were carrying multiple EDUs. Lee explained that Sheetz Car Wash's water usage continues to increase and Sheetz continues to purchase additional EDUs, to the point that the Authority is concerned about capacity in the line. It was determined that there were approximately eleven grinder pumps on the line, with the majority of them being centrifugal pumps. The Engineer noted that while there may not be many pumps, the ones that are connected would run a lot.

Lee stated that he felt Irene should write a letter to Sheetz requesting they attend the next meeting to discuss their water usage and to establish an escrow account for a capacity study. Irene will be requested to draft a letter to Sheetz and forward it to the Solicitor for his review.

VFW Grease Trap Inspection – Henry asked if the VFW grease trap needed to be cleaned every six months. The Inspector responded that it needed to be inspected every six months and, if cleaning were necessary, the VFW would be informed at that time.

PA Rural Water Seminar – The Inspector stated that he and the Operator would like to attend a PA Rural Water seminar on February 28 about all types of pumps at a cost of \$45 each. After discussion, and upon a Wright/Knaub motion, the Authority voted unanimously to authorize the Operator and Inspector to attend the seminar.

Penn Township Supervisor's (PTS) Report

Penn 1155 LLC (Penn 1155) – Henry reported on the presentation given by Penn 1155 concerning the proposed development in Lower Cove and Perdix. He offered that he saw no effort on the part of Penn 1155 to go along with the regulations in place in the Township. He also stated that he feels the developer is going to build its own collection system, when the Authority needs the customers. He cautioned the Authority to be careful in its dealings with the developer and stressed that it should insist that the collection system be turned over to the Authority.

Authority Vacancies – Henry discussed his earlier promise to vacate the Authority after the Inter-municipal Agreement with the Borough, the Susquenita developer's refund, and the "agreed-upon financial procedures" issues are completed and resolved. He stated that he has been talking to three people to consider filling the present vacancy and his future vacancy, but that no one wishes to become a member until the issues are resolved.

Perdix Fire Company (PFC)- Chairman Holman offered his understanding that the PFC was to have sent a letter giving their timeframe for connection of the fire house to the sanitary sewer. Irene will be requested to send a letter to the PFC asking it to provide the Authority with a timeframe for connection. Henry presented a letter from the PTS recommending that an earlier Authority motion waiving any monthly sewer rental fee be rescinded, on the basis that the Authority needs the income and that the PTS had increased its donation to the PFC to cover that expense. Lee noted that the PFC had asked to be notified when this subject was addressed so that they could be in attendance. Irene will be asked to include in the letter that the discussion will be continued at the March 5, 2008 meeting and inviting them to attend.

Solicitor's Report – See written report dated February 1, 2008.

Hearings for Violation of the Connection Ordinance – The Solicitor reported on the hearings for three property owners who have not connected to the sanitary sewer – William Sminkey, William Buckley, and Darwin Oakes. He stated that Judge Maguire has not yet sent down his decision and offered his opinion that two of the owners would not willingly connect, while the third owner pleaded financial hardship. The Township Secretary informed the Solicitor that Mr. Oakes has since connected.

Lee asked if the Solicitor had any information from Judge Maguire that he could share with the members. The Solicitor replied that Judge Maguire was unsure if the Authority's method of filing a civil complaint for a penalty under the Township ordinance was the correct procedure. Judge Maguire is questioning if it would be more appropriate to file a criminal complaint. The Solicitor stated that he feels it should be a civil proceeding and is going to contact the Township's solicitor as well as the solicitor for the district judges. If the Judge decides that criminal complaints need to be filed, the Authority will need to change its filing procedure.

Sharar Property, 1422 State Road – The Solicitor noted that the Authority had waived the tapping fees for the old and new house on the Sharar property in June 2004, but did not waive the sewer rental fees. He stated that a hearing for violation of the connection ordinance would be held in the future. He explained that a new house was built behind the old house, with a duplex grinder pump installed close to the new house, more than 150' from the old house. He added that the sewer main runs in front of the old house, which puts it within the distance for mandatory connection.

Henry stated that, before his current term as Supervisor, the Township told Mr. Sharar that he would need to install a new sand mound, even though the Township knew that public sewer would be available within several years. He offered that he still did not understand why Mr. Sharar was made to install the sand mound, when he could have installed a holding tank until public sewer was available.

The Solicitor asked if there was any reason not to proceed with forcing a connection of the old house and what should be done if Mr. Sharar states he will disconnect its water and sewer utilities. No decision was made. It was the consensus that members would watch the old house for signs of habitation and report back to the Solicitor.

Inter-municipal Agreement – Henry asked the Solicitor for his opinion on when the Inter-municipal Agreement with Duncannon Borough would be finalized. The Solicitor responded that he felt the Agreement would be completed by the end of February and added that there would be a meeting of both parties on February 13, 2008. Chairman Holman agreed that he felt the Agreement would be finalized by the end of February.

Larry Miller Subdivision, Railroad Street

By consensus, the subdivision plan for the Larry Miller property on Railroad Street will be forwarded to the Engineer for his review.

Billing Clerk's Report

Billing Clerk Susan Long was absent.

Delinquent Accounts – Chairman Holman noted that the amount of the delinquent accounts has decreased and offered that turning the accounts in to the District Judge for collection was having an impact. He reiterated the Authority's policy to turn in for collection any account that owes more than \$250.00.

Sheetz Car Wash and Dollar General Water Usage - Chairman Holman noted that the information detailing the water usage of Sheetz Car Wash and Dollar General had been provided in case representatives of either business were in attendance. He stated that representatives of both businesses need to be in attendance at the March meeting. Irene will be asked to contact them and request them to attend.

Reidlinger Property, State Road - Chairman Holman noted that Mr. Reidlinger had been given a year to decide his plans for the vacant property on State Road. He stated that a dumpster has appeared on the property and that it appears renovation is being done. He asked that discussion on the property be included on the agenda for the next meeting.

Treasurer's Report

Treasurer Susan Long was absent.

Invoices and Expenditures – Lee noted that the first bill for the "agreed-upon procedures", in the amount of \$1,000, was among the bills to be paid. He explained that the Authority would pay this invoice, but that by the end of the work, the Township will have paid 75% of the total amount, with the Authority paying 25%.

After discussion, there was a Wright/Knaub motion to approve payment of the January 31, 2008 invoices totaling \$23,198.62. Motion passed by unanimous vote of the Authority.

Financial Report – After review, there was a Wright/Holman Jr. motion to approve the financial report covering the period January 1 through January 31, 2008, subject to audit. Motion passed by unanimous vote of the Authority.

Incoming Correspondence

A list of all correspondence can be found on the February 5, 2008 agenda. The following correspondence was discussed.

Notice of Daniel McDade Hearing – It was noted that a hearing would be held at the District Judge's office on February 12, 2008 concerning the malfunctioning septic system on the McDade property on Firehouse Road. Henry explained that the Township has instigated the suit because of sewage being discharged onto the ground. Chairman Holman noted that the Authority has received another letter from a neighboring property owner concerning the illegal discharge. The Township Secretary stated that she has been in contact with the neighbor, and will make sure the neighbor is aware of the hearing date.

Letter from Duncannon Borough re: Chapter 94 Information - Chairman Holman asked that the members get a chance to review the Chapter 94 information before it is given to the Borough. He asked if it would be possible to receive a draft copy at the February 13th meeting with the Borough. The Engineer reported that he would have it ready for the meeting. The Engineer then noted that he had two draft copies of the Chapter 94 report for the Cove WWTP. He explained that, in the past, the Operator reviewed it and then it was forwarded to the members for review and approval. At this time, one draft copy was provided to the Inspector to give to the Operator and the other copy was given to Lee for review.

Letter from Alpha Engineering dated January 30, 2008 – The Township Secretary explained that this letter was a result of a request from the Penn Township Planning Commission asking for an update on the status of the proposed development for the Warden property on SR 849.

2007 Financial Audit – Chairman Holman reported that the Authority had received a quote from Smith Elliott Kearns & Company for the 2007 financial audit. He recommended that no action be taken on the quote until prices are received from other companies. Irene will be requested to provide the cost paid by the Authority for the audits performed by its current auditor. Lee was asked to contact several accounting firms and request quotes for performing the 2007 audit.

Motion to Extend Meeting – At 10:00 p.m. there was a Knaub/Holman III motion to continue the meeting until all business is discussed. Motion passed by unanimous vote of the Authority.

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

Pyramid Construction Request for Return of Escrow - Chairman Holman explained that the escrow account was established to cover staff expenses involved with the construction of the Duncannon Family Medical Center. The Inspector noted that the water meters installed by Pyramid Construction do not meet Authority specifications, but can still be read. Action on the escrow release was tabled until the March meeting.

Termination of Water Service for Delinquent Sewer Accounts – Discussion on this issue was tabled until the March meeting.

Cell Phone Service for Staff – After discussion, and upon a Holman III/Holman Jr. motion, the Authority voted unanimously to continue the present procedure for reimbursement of cell phone expenses in the amount of \$60 for the Inspector and \$40 for the Operator.

New Business

Susquenita School District Developer's Refund. – Chairman Holman reported on his meeting with Susquenita School District Superintendent, Dr. Dan Sheats, with the following results.

- The District will cash the check from the Authority in the amount of \$23,000 that represents the developer's refund of \$1,000 for each connection made to the District's sewer line.
- \$8,000 will be paid by the Authority for past due interest on the developer's refund
- The past invoice of \$1,279 for BOD surcharges would be waived as would the Authority's cost of \$3,290 to re-route the right-of-way (ROW) around the District's geothermal line.
- Chairman Holman explained that any future BOD surcharges are not waived and that any other ROW issues will be discussed at a later date.

Chairman Holman stated that the District has finished retro-fitting its facilities with water-saving devices, which reduced the amount of flow discharged into the Cove WWTP. He offered his opinion that the amount of the District's sewer rental fee will need to be re-evaluated in the future. The Engineer noted that many districts are not billed based on water consumption, because of the high-strength waste discharge, but based on a formula utilizing the number of students and staff.

The Solicitor recommended that the Authority get a written release that covers the District and Authority, detailing what is being paid for and what is being waived.

After discussion, and upon a Knaub/Holman Jr. motion, the Authority voted to pay the District \$8,000 for past interest on the developer's refund, waive the \$1,270 BOD surcharge from 2005, and waive the cost of \$3,290 to re-route the ROW around the District's geothermal line. The motion is contingent upon a written release being executed and approved by both parties. Lee voted in opposition to the motion. The Solicitor will prepare the written release.

Reorganization

The following officers and staff were elected for 2008.

Chairman – There was a Wright/Knaub motion to nominate Henry Holman, III as Chairman. Motion passed, with Henry Holman, Jr. abstaining.

Vice-Chairman – There was a Holman Jr./Holman III. motion to nominate Lee Wright as Vice-Chairman. Motion passed, with Lee voting in opposition to the motion.

Secretary – There was a Holman III/Holman Jr. motion to nominate Elmer Knaub as Secretary. Motion passed unanimously.

Treasurer – There was a Wright/Holman Jr. motion to nominate Susan Long as Treasurer. Motion passed unanimously.

Assistant Secretary/Assistant Treasurer – It was the consensus to leave this position vacant at this time.

The following staff and institutions were retained:

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

Insurance Agent – There was a Knaub/Holman Jr. motion to retain H. A. Thompson as its insurance agent. Motion passed by unanimous vote of the Authority.

Legal Service – There was a Wright/Knaub motion to retain Cleckner & Fearen to provide the Authority's legal service on the current terms. Motion passed by unanimous vote of the Authority.

Engineering Service – There was a Wright/Knaub motion to retain William A. Hill & Associates to provide the Authority's engineering service on an as-needed basis. Motion passed by unanimous vote of the Authority.

Inspector – There was a Wright/Knaub motion to reclassify the position of Inspector to Field Service Representative and re-appoint Sam Auxt. Motion passed by unanimous vote of the Authority.

Continuation of New Business

Replacement of Copier – Discussion was held on the current condition of the copier and a note from Irene that a new copier could possibly be purchased through the state contract at 50% discount. Lee stated that he would like to see a cost evaluation comparing the cost of repairs with the cost of a new copier. Irene will be requested to provide the comparison.

Elizabeth Gilbert Property, 1414 State Road - Chairman Holman referred to a note from Irene concerning a vacant property at 1414 State Road owned by Elizabeth Gilbert. The note states that the property is in very bad shape and that Ms. Gilbert would like to purchase ROC until it is sold. The Field Services Representative was asked to confirm if the property is vacant. Further action was tabled until the March meeting.

Gladys Martinez Check - Chairman Holman referred to a note from Irene concerning a check received from Gladys Martinez. The check is in the amount of \$50 and is to be applied toward a \$1,000 penalty for non-connection. The Solicitor asked if a judgement for \$1,000 was issued by the District Judge and stated that he would contact Irene about the matter.

Rate Reduction Formula – Lee stated that the Budget Committee has briefly discussed the idea of a rate reduction formula and he asked for this item to appear on tonight's agenda. He explained that the Authority has raised rates, but has no policy in place to reduce them. He proposed that, at the end of a fiscal year, he would like to set aside 10% of the amount of revenues over expenditures towards large future expenses or emergencies. The remaining 90% would be put back into the budget to reduce rates. He added that, if acceptable, the reduction formula should be put in written policy form so that it is adhered to every year. Henry offered his opinion that this was a very important proposal and stated his agreement with it. Chairman Holman stated that he felt the proposal could be reviewed and enacted for 2009. The proposal will be sent to the Solicitor for his review for compliance with the Municipality Authorities Act.

Adjournment

With all business completed, a Wright/Knaub motion for adjournment was made at 11:20 p.m. Motion passed by unanimous vote.

Submitted by Helen Klinepeter
Acting Recording Secretary