

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

August 6, 2008

The Penn Township Municipal Authority (Authority) met on Wednesday, August 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
CeCe Novinger
Henry Holman, Jr., Arrived 9:30 p.m.

Professional staff present:

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

Authority staff present:

Edward Chism, Plant Operator
Sam Auxt, Field Representative
Susan Long, Billing Clerk, Treasurer, Recording Secretary

Visitors present:

Tim McGarvey, United Water PA, Inc.
Brian Soyka/Dan Aungst, Sheetz
Todd Thomas
Doug Smith
Michael Ward/Jeff Bucher, Ward Holdings, Inc.

Minutes

Upon a Wright/Holman III motion, the Authority voted to approve the July 2 and 7, 2008 minutes as presented. CeCe abstained from voting as she was not present at that meeting.

Visitors

Tim McGarvey, United Water PA, Inc.

Mr McGarvey had been requested to attend this meeting to discuss the service building for the water supply system at Business Campus One (BCO). Mr. McGarvey explained that the building contained one slop sink and one floor drain that were connected to the Authority's sanitary sewer. He estimated that the discharge into the sewer would be one gallon per day.

Chairman Holman informed Mr. McGarvey that an EDU equals 150 gallons per day and that he understood United Water was discharging only a very small amount into the system. However, unless the Authority contained provisions in its *Rules and Regulations* to waive the monthly fee for small discharges, it would be necessary to bill United Water the \$70 monthly fee. He explained that discharges into the sewer, no matter how small, had to be treated and incurred a treatment cost. Mr. McGarvey asked if United Water would have to pay a tapping fee. Chairman Holman responded that should not be an issue.

Mr. McGarvey asked if water readings for the business at BCO were being provided, and was told that they were. Susan noted that United Water had installed new meters and stated that a question had been raised as to whether the Authority wanted access to the water meters so that it could also read them. Chairman Holman responded that United

Water was billing for water usage based on the meter readings and felt that there was no need for the Authority to also read the meters. Lee agreed, offering that it would save labor costs on the part of the Authority.

Brian Soyka and Dan Aungst, Sheetz Car Wash

Mr. Soyka had been requested to attend the meeting to update the Authority on the status of repairs being made to the Sheetz Car Wash to reduce the amount of discharge entering the wastewater treatment plant (WWTP). Susan reported that usage for the month of July was down to 78,000 gallons.

Mr. Soyka reported on the technical changes made to the system. He then stated that usage had been monitored earlier in the day as cars were using the wash, and that the usage was in keeping with the type of car wash selected. He offered that he felt the system was back on track, but that a representative would continue to monitor the system on a weekly basis.

One of the changes reported was to the water conditioning system. WWTP Operator, Ed Chism, asked if the conditioner used salt and was told that it does. The Operator informed the Authority that salt causes problems in a WWTP and that he would begin testing the car wash discharge the next day, for a period of approximately three weeks. He informed Mr. Soyka that, during the planning stages of the car wash, Sheetz had been informed that any testing necessary would be done at Sheetz's expense.

Mr. Soyka offered his opinion that Sheetz would need to purchase additional EDUs for the car wash. He was told that the Authority would continue to audit its usage, now that changes have been made, and discuss additional EDUs at a later date. Rather than requesting that Mr. Soyka attend next month's meeting, it was decided to communicate any developments by email.

Todd Thomas, 1112 State Road

Mr. Thomas was present to discuss bills he has been receiving every month since April 2008. He explained that he had purchased the property at 1112 State Road in January from a bank, and was unaware that he was required to connect it to the sanitary sewer system until he received a letter from the Township Secretary. He stated that he was told the property had to be connected as soon as possible and that he made the connection in April. He stated that the house was uninhabitable, as there was no water supply and no functioning bathroom. He added that he has to replace a leaking roof and asked if there was any financial relief from the monthly sewer charge until the house is habitable. He also offered that he felt that the bank should have been made to connect the property, so that he did not have that expense.

Chairman Holman thanked Mr. Thomas for attending the meeting and for being responsible about connecting to the system. He stated that he would like Field Representative Sam Auxt to verify that there was no water supply to the house. He asked Mr. Thomas his expected timeframe to move into the house. Mr. Thomas responded that he expected to have the necessary work done by the following month.

Lee informed Mr. Thomas that the Authority is levying a monthly ready-to-serve (RTS) charge to all property owners who are required to connect but have not, explaining that this charge is assessed to make it fair to those property owners who have connected. Susan explained that the bills received by Mr. Thomas were usage charges based on the fact that he connected to the sewer in April. She stated that the RTS charges were not sent to the bank when it foreclosed on the previous owner. Chairman Holman reiterated that he appreciated that Mr. Thomas connected his property. He apologized that Mr. Thomas was not aware that he could have paid a reservation of capacity (ROC) charge on the property and made the connection when it was ready for occupancy. He told Mr. Thomas that the Authority has had trouble with several banks passing on the connection responsibility to the new owners. Chairman Holman told Mr. Thomas that the Authority will take the request for waiver of his monthly charges under advisement, will not file any action for delinquency with the District Judge, and will get back to him within thirty days.

Doug Smith

Mr. Smith stated that he is representing Gigi McDade, owner of 104 and 106 Firehouse Road. He reported that the residence at 104 Firehouse Road is now connected and that Ms. McDade is willing to accept responsibility for the RTS charges from April 2008 forward. He stated that she would pay \$10-\$15 each month on that delinquent amount. He asked that the Authority forward any RTS charge incurred before that time to the lawyer for the estate of Ms.

McDade's late husband, as everything was in his name at the time of his death and Ms. McDade feels that she is not responsible for those charges.

Regarding 106 Firehouse Road, Mr. Smith reported that the electric meter base has been disconnected, a demolition permit for the trailer on the property has been obtained, and the septic tank has been pumped. He estimated that the trailer would be removed within thirty days, after which the septic tank would be crushed. Chairman Holman requested Mr. Smith to contact the Field Representative so that he can verify that the tank has been crushed.

Regarding the RTS charge for 104 Firehouse Road, Chairman Holman offered that it is Ms. McDade's responsibility to forward any charges prior to April 2008 to her husband's estate lawyer. The Solicitor explained that the charge is against the real estate, not against the owner, and that Ms. McDade should file against the estate.

Mr. Smith then noted that the charges for Mr. Thomas had just been waived because he was not using the sanitary sewer. He asked why Ms. McDade had to pay the RTS charges since she was just connected and also was not using the sanitary sewer. Chairman Holman made it very clear to Mr. Smith, in no uncertain terms, that the Authority did not tell Mr. Thomas his charges were waived.

Mr. Smith asked if he could have a copy of the July minutes. Chairman Holman stated that they had just been approved, and copies were unavailable at this time. Susan was requested to send Ms. McDade a copy of the minutes.

Mike Ward, Ward Holdings, Inc.

Mr. Ward explained that he is president of the corporation that now owns the former Decoven property. He stated that he was interested in the connection procedure for the buildings on the property, in the event that the on-lot WWTP can not handle future expansion, or in the event of degradation of the sewer system infrastructure. He asked if each building would need to be connected individually, or could all buildings be connected through the single pipe that now discharges into the WWTP. He added that he had just met with DEP concerning the on-lot WWTP, and that it is capable of treating a larger capacity than it is currently treating.

Mr. Ward stated that the property is going to be subdivided in the near future and thought that it might be more cost-effective to de-activate the on-lot WWTP. However, he stated that connection to the public sewer it is not an option if a tapping fee must be paid for each entity.

Chairman Holman replied that, at the present time, there is a limited amount of capacity available in the line that Mr. Ward would be connecting to. He informed Mr. Ward that the Authority would need to know the projected capacity that he requires. Additionally, an engineering study would need to be done to determine if the required capacity is available and to determine the condition of the present infrastructure. He told Mr. Ward that an escrow account would need to be established to pay the fees incurred during the engineering study.

It was explained to Mr. Ward that tapping fees are based on the number of dwelling units, and not the number of lines into a building. He was told that, if there are four apartments in one building, four tapping fees must be paid, at a cost of \$3,500 each. Mr. Ward stated that he had no more questions. He was told to contact the Authority if he has any future questions.

Plant Operator's Report See written report for August 2008

DMRs (See written Discharge Monitoring Reports dated June 2008.) The DMRs were reviewed with the note that the influent BOD at the Cove WWTP was 215 mg/l, under the Authority's design limit of 240 mg/l. The Operator noted that the fecal average for the Cove WWTP was 837/100 ml, above DEP's limit of 200/100 ml, and that it is a violation of its permit. He explained that, in June, DEP drops the allowable limit from 2,200 to 200/ml because of swimmers in the rivers. He informed the Authority that he is resolving the fecal problem by adding more Chlorine and De-Chlor. The Operator extended an invitation for Authority members to contact him at any time with questions about the DMRs.

Sunshine Hill Water System – The Operator reported that problems with low water pressure on Sunshine Hill on June 25th and August 4th were the result of a faulty start capacitor, which has been replaced.

Cove WWTP Odor Control – The Operator reported that the odor problem is being somewhat controlled through the use of chlorine, although it is a delicate balance to not use too much and kill off the bacteria. He said that the use of salt by Sheetz Car Wash will upset the balance, which is why he will be testing its discharge. The Field

Representative reported that the vendor who offered assistance with injection sites will not be available until the week of August 25th. He stated that he would be meeting the next day with a chemical salesman who may be able to help.

BCO – The Operator stated his understanding that a sewer tapping fee for the water service building at BCO had not been paid by United Water or the Perry County Commissioners. He also offered his opinion that the Authority should try to get access to the water meters to obtain its own readings. He informed the members that a master meter is available, which would show the amount of water pumped into the system, whether it is into the businesses or the fire protection system. Monitoring of the meter would show if large amounts of water were being introduced into the sanitary sewer.

Chairman Holman stated that he is not sure he is in favor of charging a tapping fee for the small amount of discharge that United Water will have and that further discussion would be held later.

Field Representative Report See written report for July 2008.

The following items were discussed.

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

Grinder Pump Repair, 18 Susquenita Hill Road - Chairman Holman asked how many other grinder pump repairs were due to a buildup of grease and was told that there have been three – one commercial and two residential. The Field Representative stated that the owner of 18 Susquenita Hill Road was shown the problem, received suggestions on how to prevent future grease problems, and was told that future repairs due to a grease problem could result in financial charges being levied.

Woodland Avenue Manholes – The Field Representative reported that he and the Operator pumped out two manholes on Woodland Avenue that were filled with ground water. He stated that after pumping them out, the manholes were cleaned and a bead of silicone seal was applied. However, that did not prevent the manholes from filling up with water again. Chairman Holman suggested that the Field Representative contact the manhole manufacturer for recommendations of the type of seal that could be used.

Jeff Linsenbach Property, State Road - Chairman Holman reported that he contacted Mr. Linsenbach to find out when he is going to complete the process agreed upon for the waiver of the requirement of connection for his State Road property. He explained that Mr. Linsenbach was supposed to disconnect the building from the septic system, but has not yet responded back to Chairman Holman whether this has been done.

Petersburg Commons Water Meter Vault – Lee noted that the Field Representative had pumped water from the Petersburg Commons water meter vault and asked how much was pumped. The Field Representative responded that there was between 8" – 10" of water on the floor. The Field Representative stated that he tends to agree with Chairman Holman that the water is caused by condensation from the ceiling.

Perdix Project Record Drawings – The Field Representative cited several examples of errors on the record drawings for the Perdix sewer project. Chairman Holman stated that he is willing to spend several hours on Saturday mornings walking the project and comparing the record drawings with the actual connections.

Developers' Responsibility for Line Flushing – The Field Representative asked if developers or property owners making connections to a gravity line should be required to flush the line between manholes after the connection is made, and if so, should the requirement be included in the *Rules and Regulations*. No decision was made.

Penn Township Supervisor's (PTS) Report

Supervisor Holman was not here at this time. CeCe stated that she has nothing to report.

Solicitor's Report – See written report dated August 4, 2008.

Intermunicipal Agreement (IA) – The Solicitor informed the members that the PTS has approved the IA, conditioned on settlement of the Water Street arbitration claim. He stated that Duncannon Borough Council has received the final agreement form for approval and that the Borough's Sewer Authority will need to approve the change in the definition of the Operating Advisory Committee.

Chairman Holman stated that a meeting would be scheduled to obtain all necessary signatures for finalization of the agreement. He asked the Solicitor to provide a copy of the final agreement for signatures.

Levy Against Real Estate – The Solicitor reported that he sent a demand letter to Mr. Koelsch for payment of his delinquent water and sewer accounts. The letter gave Mr. Koelsch thirty days to pay his delinquent balance, informed him that counsel fees would be imposed, and explained that his property would be turned over to the Sheriff for sale if the delinquent balance is not paid within thirty days. The Solicitor stated that a check in the amount of \$750 for filing fees would be needed at the time of filing and that he would contact the Treasurer if the check was needed.

Filing Against Delinquent Accounts – The Solicitor informed the Authority that it does not need to file against delinquent accounts with the District Judge for amounts under \$8,000, but can file directly in Perry County Common Pleas Court. He explained that this is a more expensive and extensive process, in that legal counsel should do the filing of the suit. He stated that the District Judge system was set up to be faster, less expensive, and suits did not have to be filed by legal counsel.

Chairman Holman stated that the Authority needs to know the status of the suits filed with the District Judge for violation of the connection ordinance. He made reference to a property owner who has ignored all communications from the Authority and District Judge, and offered that it was time to take the legal process to the next level. Irene will be asked to provide the Solicitor with a list of property owners who were cited for violation of the connection ordinance. The Solicitor will then contact the District Judge for an update on the status of their citations.

Mike Dawson Property, State Road – The Solicitor reported that he had filed a Praeipce on July 15, 2008 to satisfy the judgment against Mr. Dawson's property and to remove the lien.

Executive Session

The Authority entered into Executive Session at 9:10 p.m. to discuss legal and financial issues. At 9:30 p.m. the Authority reconvened the regular meeting, with decisions on the following three issues.

Todd Thomas – Chairman Holman will contact Mr. Thomas regarding his request for waiver of his delinquent sewer bills and inform him that the Authority will not turn him into the District Judge for collection while his case is under review.

United Water PA, Inc – Susan was requested to write to Tim McGarvey and inform him that, even though United Water's discharge into the sanitary sewer is a small amount, it still must be treated, and a monthly sewer bill will be sent to United Water. It was the consensus to not charge a tapping fee to United Water.

Gigi McDade, 104 Firehouse Road – Susan was requested to write to Ms. McDade and inform her that the RTS charges for 104 Firehouse Road will not be waived. Ms. McDade will also be informed that it is her responsibility to file against her late husband's estate for any of the RTS charges she feels it should pay.

Regarding the RTS charges for 106 Firehouse Road, Ms. McDade is to be told that, as specified at the July 2, 2008 meeting, she has sixty days from that meeting to demolish the trailer and crush the septic tank. If that deadline can not be met, she is to contact the Authority for a thirty-day extension. If the deadline is met, the RTS charges for 106 Firehouse Road will be waived. Additionally, the Field Representative is to be informed when the septic tank is to be crushed, so that he can verify the process.

Billing Clerk's Report

Delinquent Accounts – The list of accounts delinquent as of July 31, 2008 was reviewed. The Executive Secretary will be asked to continue the collection procedure for delinquent accounts.

Treasurer's Report

Invoices and Expenditures – Lee asked if the expense for the Kinkora permit would be charged against its escrow account. Susan explained that the expense was for an NPDES permit with DEP and was an annual permitting charge that did not pertain to Kinkora's expansion project. After discussion, there was a Wright/Holman III motion to approve payment of the June 31, 2008 invoices totaling \$53,453.00. Motion passed by unanimous vote of the Authority.

Susan asked if the unused escrow balance for the Kinkora expansion project could be returned, stating that no expenses have been charged to it for several months. It was the consensus for Susan to prepare a check for the unused balance for approval at the September 3rd meeting.

Lee asked that it be clarified for the record that the Authority does not pay interest on escrow accounts.

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

Executive Secretary Report See items on August 6, 2008 Agenda

The following items were discussed.

2008 Financial Audit – Lee will review the proposals from accounting firms for the 2008 Audit and report back with a recommendation at the September 3rd meeting. The Solicitor pointed out that these were just proposals and that the Authority could negotiate the proposed cost with the firms.

Office Copier – Lee reported that the Authority will be leasing a copier from OCE Imagistics for a monthly cost of \$120.00 per month. The cost includes maintenance and all supplies except paper and staples. He added that the copier will be networked to the computers in the office.

Motion to Extend Meeting – At 10:00 p.m. there was a Holman Jr./Wright motion to extend the meeting until the conclusion of this evening's business. Motion passed by unanimous vote of the Authority.

Incoming Correspondence

A list of all correspondence can be found on the August 6, 2008 agenda. All correspondence was either reviewed without comment or discussed as follows.

Fall Newsletter – Lee was asked to submit an article about the Authority's rate reduction plan for inclusion in the Township's fall newsletter.

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

2007 Financial Audit – Susan reported that Karchner, McClellan & Riddell expect that the audit will be done within the next week. She stated that she would forward the email she had received earlier in the day to the members.

106 Firehouse Road – According to the Executive Secretary Report, the tapping fee for 106 Firehouse Road in the amount of \$2,120.00 was paid by Walter Gabner on June 30, 2004. The Solicitor offered his vague recollection that the *Rules and Regulations* contained a provision that, whenever a property is disconnected from the sanitary sewer, a new tapping fee is required for re-connection. The Solicitor will review the issue and report back at the September 3rd

meeting. Discussion about a Reservation of Capacity charge for this property will be tabled until the September 3rd meeting, pending the outcome of the Solicitor's review.

New Business

Water and Sewer Construction Standards – Chairman Holman will review the Water and Sewer Construction Standards. Discussion was tabled until the September 3rd meeting.

Agreed-Upon Procedures – Susan will forward a copy of the Agreed-upon Procedures to the Solicitor. She will also compile a list of the recommendations contained in the procedures for discussion at the September 3rd meeting.

Job Description for Executive Secretary Position – Chairman Holman and Lee will compile a job description for the position of Executive Secretary for review at the September 3rd meeting.

Cellco Cell Tower Plan Review – After discussion, it was the consensus that no review would be needed for the Cellco Land Development Plan for installation of a cell tower on Burley Road as there will be no sewer connection. Irene will be requested to so notify the Township Secretary.

Dialysis Center Land Development Plan – Discussion was held on whether an engineering review would be needed for the Dialysis Center plan. Chairman Holman noted that the projected EDUs have been addressed, and an escrow account would need to be established. Henry offered his opinion that an Authority review would not be necessary because there are no mechanicals on the plan to review. He stated that the sewer main is already in place and that Glace Associates, the Township's third-party UCC inspection agency, would be reviewing the construction plans before authorizing a building permit to be issued. In addition, Glace Associates would be inspecting the water supply line and the sewer lateral from the curb to the building. Henry noted that materials used in the water supply line and sewer lateral into the building must meet the requirements set by the Authority and stated that Glace Associates has the current requirements on file. However, if the Authority wishes to change the materials in accordance with the construction standards it recently approved, it will need to inform Glace Associates. It was the consensus that a review of the Dialysis Center plan is not needed. Irene will be requested to so notify the Township Secretary. It was also the consensus to provide a copy of the construction standards to the Township office, which will forward them to Glace Associates. In addition, when the developer obtains a connection permit, a copy of the construction standards will be provided along with the permit.

Revisions of the Connection Ordinance – Henry asked the Solicitor about the status of his communication with the Township's solicitor regarding the wording of the enforcement section of the connection ordinance. The Solicitor responded that he is drafting various options for the Township solicitor to present to the PTS.

Resignation of Henry Holman, Jr. – Henry thanked the Authority for its support over the past several years and tendered his resignation effective this evening. He informed the Authority that the PTS would appoint his replacement at its next meeting on August 27, 2008.

Adjournment

With all business completed, a Wright/Novinger motion for adjournment was made at 10:45 p.m. Motion passed by unanimous vote.

Submitted by Susan Long
Recording Secretary