

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

March 4, 2009

The Penn Township Municipal Authority (Authority) met on Wednesday, March 4, 2009 in the Penn Township Municipal Building. Chairman Sam Auxt, 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:

Sam Auxt, Chairman
Elmer Knaub, Vice-Chairman
Henry Holman, III, Secretary
CeCe Novinger

Professional staff present:

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

Authority staff present:

Sam Auxt, Field Representative
Susan Long, Treasurer, Recording Secretary
Karen Rhinehart, Executive Secretary

Visitors present:

Irene Graybill
John Fach
Charlie Cook
Dale Ramp
Nancy Valdez

Presentation of Plaque

Chairman Auxt presented a plaque to Irene Graybill in honor of her dedicated service to the Authority. Mrs. Graybill had been a member of the Authority and its Executive Secretary for over twenty years.

Minutes

Upon a Holman/Knaub motion, the Authority voted to approve the February 4, 2009 minutes as presented. The February 10, 2009 JOAC minutes were tabled for approval at the March 10, 2009 JOAC meeting.

Visitors

John Fach, 114 Railroad Street

Mr. Fach explained that he had only been able to make one payment on his delinquent sewer as his overtime work has stopped. He stated that he would make another payment this week and said that he expected to have the account made current by the end of April. Chairman Auxt told Mr. Fach that the Authority would continue to work with him and asked Mr. Fach to keep the Authority updated on his payment schedule.

Charlie Cook

Mr. Cook is representing Dale Ramp, the new owner of the Homer Bornman property at 303 Schoolhouse Road. He stated that the on-lot septic system is sub-standard and that he was in attendance to discuss connection of the property

to the sanitary sewer. He noted that this was the only existing residence on Schoolhouse Road that was not connected.

Mr. Cook stated that he has proposed a six-inch gravity-flow lateral for the property but understands that the Authority's engineer is recommending a sewer extension with an eight-inch line and a manhole. He offered his opinion that there is no undeveloped property in the area that would elect to connect to his proposed lateral, and that a sewer extension was not necessary in this situation.

Chairman Auxt offered his agreement but also his concern about the cleanouts to be installed along Schoolhouse Road, stating the possibility that they could be damaged by snowplows. Mr. Cook proposed a possible solution. He noted that, when the Preston property was subdivided, the lot on the northern side of Schoolhouse Road offered a dedication of right-of-way (ROW) to Penn Township along the front footage. He suggested that, if the Township would take the ROW through easement, the lateral could be moved further back from the roadway. Chairman Auxt stated that he would not feel comfortable taking an easement from another property owner. Mr. Cook reiterated that the Preston plan shows the easement as being offered, and stated that the easement would provide a means to move the lateral away from the roadway.

Mr. Cook estimated the cost to install the proposed lateral as designed at \$6,200.00. A low-pressure system with a pump kit would cost \$8,200.00, and a sewer extension would cost \$12,000.00. Mr. Cook stated the plan includes cleanouts approximately every fifty feet, but may not require that many if a 6-inch line is used. He then asked if the Authority would be receptive to a gravity line terminated by a hand hole, as opposed to a full-sized manhole. Regarding the concern about possible damage to the cleanouts, Mr. Cook stated that they would be installed further back into the bank along the roadway.

Henry noted that the installation of the lateral would be done in the berm, with no destruction of roadway surface, and that the cleanouts appear to be back as far as the present manhole. Mr. Cook stated his intention to contour, and then restabilize, the embankment to allow placement of the cleanouts in the embankment. Henry noted that, if necessary, surface-grade cleanouts could be installed.

Chairman Auxt asked if the property owner would be willing to enter into an agreement stating that maintenance of the lateral would be the responsibility of the owner. Property owner, Dale Ramp, stated his intention to sell the property. He was told that the agreement would become part of the sale and would pass on to the new owner. Mr. Cook explained that the cleanouts were designed every fifty feet to facilitate ease of cleaning. Mr. Ramp asked who would write the agreement and was told that the Solicitor would.

Henry then explained the inspection process to Mr. Cook, noting that the Authority would inspect the lateral up to the property line. The Uniform Construction Code (UCC) official would inspect from the property line into the property. Henry told Mr. Cook that it would be necessary for the Authority to verify that stainless steel fastening straps were used in the installation. He suggested that Mr. Cook contact the UCC inspector to verify if a house trap is needed. Chairman Auxt told Mr. Cook that the lateral would need to be pressure-tested, and the manhole being penetrated would need to be vacuum-tested after installation was completed.

Nancy Valdez, Susquenita Hill Road

Ms. Valdez was in attendance to publicly thank the Authority for its reduction of sewer rates. She then asked the Authority to consider offering a discount for pre-payment of the charges.

Thomas Fromm, 1121 State Road

In Mr. Fromm's absence, Chairman Auxt reported that the PennDOT highway occupancy permit for 1121 State Road has been received and that a copy of the permit would be forwarded to Mr. Fromm.

Lynn Harbold, Firehouse Road

In Mr. Harbold's absence, Chairman Auxt reported that Mr. Harbold's house had been destroyed in a fire, and that Mr. Harbold was requesting permission to connect his camper to the sanitary sewer during the rebuilding process. After discussion, it was the consensus to approve the request. The Executive Secretary was asked to contact Mr. Harbold, notify him of the decision, and tell him to contact Chairman Auxt when he is ready to make the connection.

Plant Operator's Report There was no written report.

DMRs (See written Discharge Monitoring Reports dated January 2009.) In the Operator's absence, Chairman Auxt presented the DMRs for the Cove and Kinkora WWTPs. Members were asked to contact the Operator at any time with questions about the DMRs.

DEP Inspection Report

Chairman Auxt reported that DEP had inspected the Sunshine Hill and Petersburg Commons drinking water facilities on February 10th. He referred the members to a violation of the permit described on page two of the inspection report. He explained that the construction permit allowed the use of Aquamag for iron/manganese sequestration, while the operation permit states that Klenphos-100 was substituted. He stated that the Operator is looking into the issue and that members should contact the Operator with any questions.

Field Representative Report See written report for February 2008

1004 State Road – The Field Representative reported that Henry, the Operator, and himself investigated a report of a leaking sewer line at 1004 State Road. The on-site visit showed an area where water was coming above-ground. Jeff Holman was hired to excavate the area, but no source of the water was found. The property owner was told to inform the Authority the next time that he noticed further leakage.

Master Meter Reports – The Master Meter reports were reviewed with the note that there were no unusual readings. Chairman Auxt noted that no readings were available for March 4th. He reported that the manhole on Ann Street was discovered to be full of water and that grease was discovered further down the line, past the location of the Authority's connection point. The issue will be discussed at the March 10th JOAC meeting.

Henry noted that the average readings for the Clark Street and Ann Street meters are higher than the Authority's EDU definition of 150 gallons per day.

Penn Township Supervisor (PTS) Report

It was noted that a request to withdraw the plan for Elite Dialysis has been submitted to the PTS by the developer.

Solicitor's Report – See written report dated March 3, 2009.

Open Records Officer – The Solicitor reported that, under the PA Right to Know Act, the Authority will need to appoint an Open Records Officer to act upon requests for information now available under the Act. After discussion, it was the consensus to appoint Authority Secretary, Henry Holman, III as the Authority's Open Records Officer.

Fulkroad Bankruptcy – Susan noted that, when researching the Fulkroad delinquent sewer account, a letter was found in the file stating that the Fulkroads were part of a bankruptcy proceeding. She asked if that meant the account could not be turned in to the District Judge for collection. The Solicitor will contact the lawyer overseeing the bankruptcy to determine its status.

Intermunicipal/Water Street Settlement Agreements – The Solicitor asked if the Authority had received its copies of the Intermunicipal/Water Street Settlement agreements and was told it has. He then stated that he would email a copy of the agreements so that the Authority would have electronic versions.

Lester Sharar Sewer Payment – Susan informed the Solicitor that Mr. Sharar had sent payment for five months of sewer charges, along with a note that it was "per Justice Maguire." She stated that he owed substantially more than that and asked if Judge Maguire had reduced the amount. The Solicitor will send a letter to Mr. Sharar, informing him that there are still outstanding judgments to be paid.

Sheriff's Sale Updates – The Solicitor reported that there are three properties on the list for the April Sheriff's sale – Hendricks, Hockenberry, and Sminkey. He stated that he had received a call from the bank holding the mortgage on the Hendrick's property and that the bank official was going to call Mr. Hendricks. He stated that he has heard nothing from Mr. Hockenberry. He stated that Mr. Sminkey had gone to the Sheriff's office to pay his judgment and was told that he had to pay the Authority. The Solicitor stated that he has a list of the judgment, Sheriff, and

Prothonotary fees to be paid by Mr. Sminkey and will calculate the legal fees to be added to the total. If the fees are paid, the Sheriff's sale will be stayed.

The Solicitor will inform Mr. Sminkey that his property must be connected to the sewer and another Sheriff's sale will be initiated, if necessary. Susan relayed Mr. Sminkey's comment to her that he is moving out of the property and that it will only be used as storage. The Solicitor will inform Mr. Sminkey of the procedure necessary to disconnect the property in order for the connection requirement to be waived. He will also inform Mr. Sminkey that he may wish to purchase reservation of capacity to guarantee space in the WWTP should he wish to improve the property in the future.

Fach Residence, Railroad Street – The Solicitor reported that he received a letter from Mr. Shoemaker, the executor of his father's estate, who is now stating that there apparently was a sales agreement between Mr. and Mrs. Fach and his father for purchase of the Railroad Street property. Both parties are trying to locate a written copy of the agreement. Additionally, Mr. and Mrs. Fach have stated to Mr. Shoemaker that they are obligated to deal with sewer issues and will do so.

The Solicitor explained that Mr. and Mrs. Fach had signed an agreement to pay the tapping fee in installments. However, when the Solicitor tried to record the agreement and attach the standard lien against the property, he found out that the property was owned by Mr. Shoemaker. Subsequently, the lien was not filed against the property and until the sales agreement is finalized, the lien cannot be filed against Mr. and Mrs. Fach. After discussion, and upon a Holman/Novinger motion, the Authority voted unanimously to attach the lien to the current property owner, Mr. Shoemaker. The Solicitor will inform Mr. Shoemaker of the action.

Connection Ordinance 101 – Discussion was held on the Perdix properties remaining to be connected to the sanitary sewer.

- Donald Galer, 3 Maple Avenue. Mr. Galer recently purchased this property from a bank and has paid the connection fee. He was previously given until March 4th to connect. He will be given until April 1st to connect, after which he will be turned in to the District Judge for violation of the connection ordinance.
- Troy Hendricks, 1325 State Road. The Solicitor has started the proceedings for the April sheriff's sale of the property.
- Glenn Hockenberry, Hill Top Road. The Solicitor has started the proceedings for the April sheriff's sale of the property.
- Michelle McNaughton, 1 Woodland Drive – The Solicitor reported that the property has been sold at Sheriff's sale. He will contact the new owner and put them on notice of the requirement for connection.
- Elizabeth Mitchell, 1414 State Road. The Solicitor reported that the property was not entered for Sheriff's sale. He will re-contact the owner.
- Rodney Frey, 1039 State Road – Mr. Fry was previously given until March 4th to connect. He will be given until April 1st to connect, after which he will be turned in to the District Judge for violation of the connection ordinance.
- Michael Schamber, 1029 State Road. The Solicitor reported that no paperwork could be found that Mr. Schamber was ever notified by the Authority concerning the requirement to connect the property to the sanitary sewer. He wrote to Mr. Schamber but has not had a response. He will follow up with Mr. Schamber.
- Scholl Estate, 1032 State Road. The Solicitor reported that William Sminkey has purchased this property, to be used for storage. Based on the fact that there is no electricity to the property and the building is uninhabitable, it was the consensus to waive the connection requirement for the property. The Solicitor will so inform Mr. Sminkey, and also inform him that he may wish to purchase reservation of capacity to guarantee space in the WWTP should he wish to improve the property in the future. He will also inform Mr. Sminkey to be careful not to damage the grinder pump housing.
- William Sminkey, 1223 State Road. The Solicitor has started the proceedings for the April sheriff's sale of the property.
- Karen Taschek, 204 Firehouse Road. Mrs. Taschek had been given until March 4th to connect. Chairman Auxt stated that he has spoken to her and that she indicated she would connect. The Solicitor will inform

her that connection needs to be made by April 1st or she will be turned in to the District Judge for violation of the ordinance.

- Kirk Vanier, 100 Schoolhouse Road. The Solicitor reported that this property is in mortgage foreclosure and he expects that the bank will put the property up for sheriff's sale. The Solicitor will contact the bank.

Sheriff's Sale Process – The Solicitor explained that Authority liens, if for services, take precedent over mortgage liens. If the mortgage is foreclosed and the bank sells the property, the Authority gets paid before the mortgage lender. If the Authority sells a property and there are outstanding mortgages recorded before the Authority's charges have accrued, and if the Solicitor would successfully bid on the property, the Authority would be responsible for the mortgage debt.

The Solicitor stated that he could enter a property for Sheriff's sale and if no bids are received, the process would stop. If that happens, there is a process he can follow to petition the court to approve another sale free and clear of all existing liens and mortgages. At that time, he felt the mortgage company would purchase the property, and the Authority would get paid.

Henry suggested that it might be better to keep adding liens to a property, rather than selling a property at Sheriff's sale. The Solicitor agreed that might be the better position to take for properties that are already connected to the sanitary sewer. For unconnected properties, the Sheriff's sale is a good process to effect connection.

Billing Clerk's Report

Delinquent Accounts – The list of accounts delinquent as of February 29, 2009 was reviewed. Susan stated that thirteen accounts would be turned in to the District Judge for collection on March 5th.

Robert Wisman, Petersburg Commons – Based on an earlier previous discussion, it was decided to continue placing liens against the Wisman property, instead of entering it for Sheriff's sale.

Louis Beemer, 1432 State Road – Susan reported that Mr. Beemer has not responded to the letter stating that he needs to purchase ROC if he wishes to waive the monthly sewer charge. She will send a follow-up letter reaffirming the Authority's requirement.

Treasurer's Report

Invoices and Expenditures – Susan was asked the amount of the monthly payment for the Water Street debt and responded that it was \$234.42. She noted that Water Street payments for January through March were included with the bills to be paid. After discussion, there was a Novinger/Knaub motion to approve payment of the February 2009 invoices totaling \$59,163.17. Motion passed by unanimous vote of the Authority.

Financial Report – After review, there was a Holman/Novinger motion to approve the Financial Report for the period February 1 through February 28, 2009, subject to audit. Motion passed by unanimous vote of the Authority. It was noted that the balance of all accounts was \$723,763.51. However, \$28,054.18 is earmarked for escrows and repair of the Market Street line. An additional \$295,968.78 has been set aside for capital projects – unexpected major expenses for equipment failures and replacement of infrastructure.

Executive Secretary's Report

Executive Secretary, Karen Rhinehart, reported that the delinquent account collection procedure was more complicated than she expected. Henry stated his opinion that collection of the delinquent accounts should be a priority task. When asked, Mrs. Rhinehart reported that the process for making deposits averaged around thirty minutes per day. It was the consensus that Mrs. Rhinehart would attend monthly meetings in the future on an as-needed basis, and would submit monthly written reports.

JOAC Report

Henry offered his feeling that the JOAC meeting held on February 10th was very productive. As a result of the meeting, the Authority has received the Borough WWTP budget for 2009 and the amortization schedule for the Water Street debt. The next JOAC meeting will be held on Tuesday, March 10th.

Correspondence

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

Old Business

Lockbox Service – Since all members were not present, it was the consensus that a vote would not be taken until a complete complement of the Authority is present.

Scholl Property Tapping Fee – Susan reported that James Scholl had paid three tapping fees and had signed a grinder pump agreement for three vacant lots on Hill Top Road. However, since there were no laterals or grinder pumps installed on the properties, Susan asked if the tapping fees should be returned. The Solicitor stated that he is not comfortable with keeping the three tapping fee payments from Mr. Scholl since the Authority never installed laterals to, or grinder pumps and wet wells on, the properties. He offered that holding the tapping fees will make the Authority responsible for future installation to the point where the grinder pump would be installed. An additional concern was how to document the payment for connections that might not happen for years in the future, when the current members/staff are no longer around. After discussion, and upon a Holman/Knaub motion, the Authority voted unanimously to refund \$6,480.00 in tapping fees to the estate of James Scholl. The Solicitor will forward the check and explanation letter to the estate.

Maintenance Agreement for Billing Software – Based on a recommendation sent by email from Authority member Lee Wright, there was a Novinger/Knaub motion to purchase a maintenance package for the new billing software at an annual cost of \$600.00. Included in the package are monthly diagnostic checkups and data backups to the software company's server. Motion passed by unanimous vote of the Authority.

Stormwater Runoff onto 100 Butchershop Road - Chairman Auxt relayed that the owner of 100 Butchershop Road (Harvath) experienced stormwater runoff into her house after the last heavy rainfall. He explained that an Authority water line crosses a land bridge behind the property. The concrete pipes under the bridge have shifted and now act like a dam, causing the water to go over top and divert onto the Harvath property. He asked if it was the Authority's responsibility to maintain the land bridge since it was on the Authority's water line ROW. The Solicitor said that it would be necessary for him to review the ROW document to determine responsibility. He will try to locate the document and get back to the members.

New Business

H. A. Thomson Insurance Review – Chairman Auxt reported that H. A. Thomson would like to attend the April 1st meeting to review the Authority's insurance package. It was the consensus to schedule the review for 6:30 p.m. Susan will advertise a 6:30 p.m. start for the meeting.

Bank Signatories – Susan reported that copies of driver's licenses and social security numbers are needed from Elmer and Henry for the 1st National Bank of Marysville.

Billing of Renters – It had been noted at the February meeting that, for various reasons, several renters are being billed instead of the property owners. As a result, Susan had been asked to prepare a list of these renters. The list was now reviewed, along with a draft letter to be sent to the property owners. After discussion, it was the consensus to follow the procedure specified in the Authority's *Rules and Regulations*, and bill the owners

25 Mountain Street – Susan reported that a call had been made to the office concerning the property at 25 Mountain Street. A prospective buyer wanted to know the cost of connecting an efficiency apartment in the property to the

sanitary sewer. It was the consensus that there would be no connection cost, but the monthly sewer charge would increase to two EDUs, instead of one.

Cove WWTP Chapter 94 Report - Chairman Auxt reported that the Engineer had just forwarded the Cove WWTP Chapter 94 Report, which must be submitted to DEP prior to March 31st. He asked the members to review the report and forward any changes to him ASAP. He will then forward them to the Engineer so that a final version can be ready for approval at the March 10th JOAC meeting.

Duncannon WWTP Chapter 94 Report - Chairman Auxt reported that the Engineer has requested a projection of new EDUs entering the Duncannon WWTP in 2009. It was the consensus to tell him six more EDUs were projected – Jones property on Valley Street, the vacant lot on Shearer Drive, Velez property on Pee Wee Lane, one for Business Campus One, and two unspecified.

Sunshine Hill Water System – Elmer noted that the DEP Inspection report mentioned that the system may not provide an adequate supply of water in the event of a power outage. It was decided to put the issue on the April 1st agenda for further discussion of emergency sources of power.

Tapping Fee Installment Payments for Commercial Properties – Henry noted that Elite Dialysis had previously asked if installment payments were available for the tapping fee. After discussion, there was a Holman/Novinger motion to disallow installment payments for commercial tapping fees. Motion passed by unanimous vote of the Authority.

DSL Hookup – Further discussion of a DSL hookup to the office was tabled to the March 10th meeting, after review of the several alternatives available.

Adjournment

With all business completed, a Knaub/Holman motion for adjournment was made at 9:58 p.m. Motion passed by unanimous vote.

Susan Long

Recording Secretary