

**PENN TOWNSHIP MUNICIPAL AUTHORITY  
PERRY COUNTY**

102 Municipal Building Road  
Duncannon, PA 17020

April 4, 2012

The Penn Township Municipal Authority (Authority) met on Wednesday, April 4, 2012 in the Penn Township Municipal Building. Vice-Chairman Henry Holman, III called the meeting to order at 6:30 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, Vice Chairman  
Scott Smart, Secretary (Left at 8:15 p.m.)  
Elmer Knaub, Asst. Secretary/Asst. Treasurer  
CeCe Novinger

Professional staff present:

Dennis Shatto, Esq. of Cleckner and Fearen, Solicitor  
Ben Shull, of Wm. F. Hill, Engineer

Authority staff present:

Susan Long, Treasurer, Recording Secretary

Visitors present:

Forrest Troutman, Yingst Homes  
Nancy Valdez  
Bob Johnson  
Stanley Mutzabaugh  
Rock Morrison

**Stone Mill Estates Water Agreement**

Mr. Troutman was in attendance to update the members on the water facilities for the proposed Stone Mill Estates. He stated that the hydrologist for the plan, Steve Read, had been in contact with the Authority's engineer, Ben Shull. The intent is to have the major portion of the water system design completed by the end of April. That will give both parties a good estimate of the total project cost and feasibility. Mr. Read had questioned whether any part of the project would be subject to prevailing wage; it is the opinion of the Authority Solicitor, Dennis Shatto, that prevailing wage does not apply to this project. Mr. Read had also questioned who would seal the DEP application. The application will be issued in Penn Township's name, but will be sealed by the developer's engineer.

Mr. Troutman reported that Well #3 will be retested in April. The developer is checking on the availability of 3-phase electrical supply along SR 849, as its use will reduce operating expenses for the treatment facilities.

The next meeting with Mr. Troutman will be held at 6:30 p.m. on May 2<sup>nd</sup>, immediately preceding the scheduled monthly meeting.

## **Minutes**

Upon a Novinger/Knaub motion, the Authority voted to approve the March 7, 2012 minutes as corrected, and the March 13, 2012 minutes as presented.

## **Visitors**

Nancy Valdez

Ms. Valdez noted that the February 1, 2012 minutes incorrectly stated that, at the January 25, 2012 Penn Township Supervisors' meeting, the Citizen's Group had requested a rate decrease and was upset with the amount of delinquencies. She stated she was speaking as a ratepayer and not as a member of the Citizen's Group.

She also noted an inconsistency between the amount she was told was the threshold for offering a property up for sheriff's sale (\$850.00) and the amount on the policy procedure sent to the delinquent homeowner (\$800.00). She was informed that the threshold is currently \$850.00.

Ms. Valdez asked how many sewer customers there were and was told that approximately 500 bills are sent each month. She then asked how many of them were delinquent and was told that there were 42 accounts that were delinquent by at least \$250.00.

The collection process was reviewed. The homeowner is offered a payment plan when the delinquent amount reaches \$250.00. If there is no response to the plan, the account is turned over to the District Judge. If there is still no response, a lien is placed on the property. This procedure is repeated with each additional \$250.00 delinquency. When the delinquent amount reaches \$850.00, the homeowner is contacted and given another chance to make a payment plan. If that fails, the property is offered up for sheriff's sale.

This procedure was first inaugurated when sewer rates were \$70/month. Now that the rates have been reduced to \$60/month, the procedure does not become effective until the account is five months delinquent. The Authority will discuss at the May 2<sup>nd</sup> meeting whether the \$250.00 threshold should be lowered to \$180.00, and if the \$850.00 threshold should also be lowered.

Ms. Valdez then asked about the possibility of offering discounts for customers who prepay on a quarterly, semi-annual, or annual basis. She noted that the February 2012 minutes indicated a discussion was held on the subject, with the result that, while this idea has merit, the Authority feels that those reductions can be offered for optional services, like cable, but not for necessary services like sewer. Ms. Valdez offered that the Authority could offer the discounts as a token of good faith and good business. Vice-Chairman Holman noted that offering discounts would result in the loss of revenue, and if multi-residential dwelling owners took advantage of the discounts, the Authority could be in the position where it might need to increase rates to make up the difference in lost revenue. The Authority will discuss the issue further at a future meeting.

Robert Johnson

Mr. Johnson stated that he notices a lot of vacant houses in the Perdix area and asked if they were being billed for sewer. He was told that all properties are billed, with the exception of several that are uninhabitable – but where the tapping fee or a reservation of capacity fee has been paid – and one property where the estate is not being charged as per the Authority's "death abatement" procedure.

Mr. Johnson noted that, before the sewer was installed in Perdix, a lot of wells were tested for contaminants. He asked if the Authority has considered re-testing the wells to see if the water had cleared up. He was told that it is not normal for any authority to re-test wells. Most wells are re-tested when a property is sold, and to-date the Authority has not heard of any wells with poor results.

Mr. Johnson stated that, at the March 28, 2012 PTS meeting, the PTS chairman stated he would attend tonight's meeting to discuss the Authority's offer to give the property at 1325 State Road to the

PTS. However, he did not see the PTS chairman at tonight's meeting. Susan noted that PTS Chairman Holman had told her earlier in the day that he would be unable to attend the meeting.

Stanley Mutzabaugh

Mr. Mutzabaugh questioned why the Authority would want to give the property at 1325 State Road to the PTS, which effectively removes it from the tax rolls, when it could be sold. No definitive answer was given.

Rock Morrison

Mr. Morrison asked about the status of the study on available capacity at the Kinkora wastewater treatment plant (WWTP). Vice-Chairman Holman acknowledged that a freeze had been put on the purchase of reservation of capacity until it was known how much was available. He admitted that the Authority had dropped the ball and that the Engineer had not been requested to do the study. The Engineer now stated that the information would not be difficult to compile and said he could possibly have it available when the Authority meets again on April 10<sup>th</sup>. Mr. Morrison will be informed of the capacity availability as soon as the Engineer completes the study.

### **Engineer Report**

#### **Lower Cove Low-Pressure Line**

Engineer Ben Shull had previously reported that the low-pressure line in the area of Norm's Tire and Repair has a higher psi reading than expected, which could mean a blockage of the line or a partly closed valve. He now reported that Dollar General has given permission to attach a pressure gauge to its duplex grinder pump. Ben expects that the gauge will be moved to Dollar General in the near future.

#### **Sunshine Hill Water System 4-Log Piping**

At its March 13<sup>th</sup> meeting, the Authority had approved change orders in the amount of \$24,667.75 for the 4-Log piping project on Sunshine Hill, along with payment request #1 in the amount of \$46,270.25. At tonight's meeting the change orders and the tax exemption certificate were signed by the appropriate officials.

A check in the amount of \$46,270.25 made out to DeTraglia Excavating, Inc., will be prepared for signing at the Authority's April 10<sup>th</sup> meeting.

#### **2011 Flow Analysis Report**

The Engineer reviewed the flow analysis report for 2011 and discussed how the flow per EDU is calculated. This report includes an analysis of the flow generated by Penn Township entering into the Duncannon WWTP as well as the flows generated by Susquenita School District (SSD) and the Kinkora Home.

The Engineer offered his opinion that the Authority will need to wait until the entire length of the Market street sewer line is replaced before the results show how much difference the reduction of I&I will make in the operational costs of the Duncannon WWTP.

The results of the flow analysis show that the flow generated by SSD is 67 EDUs per day, down from the 74 EDUs per day currently being billed. The flow generated by Kinkora is 60 EDUs per day, up from the 59 EDUs currently being billed.

Upon a Novinger/Knaub motion, the Authority voted unanimously to approve the 2011 Flow Analysis Report.

Upon a Knaub/Smart motion, the Authority voted unanimously to reduce the amount being charged to SSD to 67 EDUs. Susan will send the SSD a letter informing them of the results of the study and the \$420.00 reduction in their monthly rate.

No action was taken on adjusting Kinkora Home's monthly rate until it is known if the flowmeter has been repaired.

#### Kinkora WWTP Letter Amendment

Operator Ed Chism had earlier reported that DEP had inspected the Kinkora WWTP and commented on the condition of the blowers and motors. He informed DEP that the Authority would like to increase the size of the blowers and motors for improved aeration, decreased sludge content and overall economic benefits. Ben informed DEP of the Authority's request and considers the request a letter amendment to the NPDES permit, as opposed to a permit modification. DEP representative, Martin Ferry, has since contacted Ben with a request for additional information, which Ben will provide.

#### **Plant Operator Report** There was no written report.

The Discharge Monitoring Reports dated February 2012 were circulated for members' review. Members were asked to contact Ed Chism at any time with questions about the reports or operation of the WWTPs and water system.

#### Sunshine Hill Water System

The elusive leak is still frustrating everyone who is trying to find the source. The latest estimate is that 40,000 gpd are being lost somewhere. Vice-Chairman Holman will contact Ed to discuss if the section of pipe leading to Butchershop Road could be leaking.

#### **Field Representative Report**

See written report for March.

The Field Representative was not in attendance. His report was reviewed without any significant comment.

#### **Master Meter Report**

The Master Meter report was circulated among the members without comment.

#### **Penn Township Supervisor (PTS) Report**

There was no PTS report.

#### **Solicitor Report**

##### Expiration of Liens

The Solicitor reported that he checked with the Prothonotary's Office and found out that the life of a municipal lien (one filed directly by the Solicitor) is twenty years. There is still a question about the life of a lien filed by the Authority along with the judgment from the District Judge. The Solicitor will check to see if the civil complaint accompanies the judgment when the lien is filed.

The Solicitor noted that the purpose of filing a delinquent account with the District Judge is to get the attention of the homeowner and hopefully have the account made current. He stated that the Authority can skip that procedure and have him file municipal liens directly on the property. However, it was discussed that filing a delinquent account with the District Judge does get results in most cases, in that the homeowner starts to make payments and the Authority receives revenue.

##### Intent to Defend Civil Suit

The Solicitor noted that the homeowner of one of the delinquent accounts filed with the District Judge has decided to contest the filing. While the Solicitor has attended such hearings in the past, it was

the consensus that the Executive Secretary has all the necessary documentation and can represent the Authority on her own.

#### **Publication of Delinquent Account Holders**

At a recent PTS meeting, a resident asked if the Authority could publish a list of all the delinquent account holders. After researching the request, the Solicitor reported that Federal and Pennsylvania statutes prohibit creditors from publishing lists of their debtors. However, according to a PA Right To Know ruling, if an authority has created a delinquent list, it is considered to be a public record. It is not a violation of the statutes to provide such a list if it is requested. An authority is required to provide only information that has already been created; it is not necessary to create information that is not already available.

#### **Billing Clerk Report**

##### **Delinquent Accounts**

The list of accounts delinquent as of March 31, 2012 was reviewed. The Authority will continue to follow its procedure for filings with the District Judge and the Perry County Prothonotary. Water delinquencies total \$4,739.94. Sewer delinquencies total \$57,317.51. The Authority will continue to take a hard line against delinquencies.

#### **Treasurer Report**

##### **Invoices and Expenditures**

After discussion, there was a Novinger/Knaub motion to approve payment of the March 2012 invoices totaling \$88,922.08. Motion passed by unanimous vote of the Authority.

##### **Financial Report**

After review, there was a Novinger/Knaub motion to approve the Financial Report for March 2012, subject to audit. Motion passed by unanimous vote of the Authority. The balance of all accounts was \$719,710.35. However, \$239,575.90 is earmarked for escrows and future projects. An additional \$343,345.76 has been set aside for capital projects – major expenses for equipment failures and replacement of infrastructure. The remaining \$166,788.69 is available for operating expenses.

#### **Executive Secretary Report**

There was no written report. Members were asked to contact the Executive Secretary if they ever have questions about office procedures or the reports.

#### **JOAC Report**

Members were reminded that the next JOAC meeting is scheduled for the Penn Township Municipal Building on Tuesday, April 10<sup>th</sup> at 6:30 p.m. At 1:00 p.m. that day, several members of the JOAC, along with its engineer, are scheduled to meet with Senator Jake Corman to discuss available grants for the replacement of shared sewer lines.

#### **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**

Old business not discussed earlier in the meeting includes the following.

#### Odor Control Building, Schoolhouse Road

The site at the intersection of Schoolhouse and Burley roads is being prepared for the installation of the building to house the chemical injection equipment for odor mitigation. No work was done this week to prepare for the foundation, due to mechanical failure of the Township backhoe. It is expected that work will begin the week of April 9<sup>th</sup>.

#### Casale Property, State Road

The new owner of the Casale property has been notified in writing that the building can not be inhabited until the sanitary sewer is connected. He was also requested to contact the Authority as to his timeline for connection.

#### Water Rate Increase

Additional money was included in the 2012 budget for the increased water testing required by DEP. There had been some discussion as to whether rates should be increased to account for this extra expense. It was the consensus to table further discussion until at least the end of the second quarter, to get a better understanding of total water revenue against water expenses.

#### 2011 Financial Audit

Members had been presented with a draft 2011 financial audit at the March 7<sup>th</sup> meeting for review. Upon discussion, there were no members who had any questions concerning the audit. There was a Knaub/Novinger motion to approve the 2011 financial audit. Motion passed unanimously. Susan will contact the auditing firm and request a final copy for the files and also request that the required report be published in the Duncannon Record.

#### **New Business**

##### Sewer Line Flushing

Upon a Holman/Knaub motion, the Authority unanimously approved a bid from Kline's in the amount of \$3,300.00. This bid is for the flushing of approximate 4,000 feet of 8-inch diameter sewer lines that flow into the meters at Ann Street and Clark/High Streets, along with the cleaning of four wet wells.

##### Proposal From J P Harris Associates

The members reviewed a proposal from J P Harris Associates, a collection agency, to collect delinquent sewer and water bills. The fee for this service would be added to the customers' bills. Further discussion was tabled pending research of the company by the Solicitor.

##### Annual Insurance Review

The annual insurance review will be held at 6:30 p.m. on June 6<sup>th</sup>.

##### Resolution 2012-02, for Disposal of Records

This resolution is required under PA Records Laws when records are destroyed. Upon a Novinger/Knaub motion the Authority voted unanimously to dispose of various financial records from 2004 through 2010.

**Adjournment**

With all business completed, a Knaub/Novinger motion for adjournment was made at 9:30 p.m. Motion passed by unanimous vote.

Susan E. Long  
Recording Secretary