

**PENN TOWNSHIP MUNICIPAL AUTHORITY
PERRY COUNTY**

102 Municipal Building Road
Duncannon, PA 17020

January 2, 2013

The Penn Township Municipal Authority (Authority) met on Wednesday, January 2, 2013 in the Penn Township Municipal Building. Chairman Sam Auxt called the meeting to order at 6:00 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 Auxt
Henry Holman, III, Vice Chairman
Elmer Knaub, Asst. Secretary/Asst. Treasurer
CeCe Novinger

Professional staff present:

Dennis Shatto, Esq. of Cleckner and Fearen, Solicitor
Ben Shull, P.E., of Wm. F. Hill Associates

Authority staff present:

Susan Long, Treasurer, Recording Secretary
Edward Chism, Plant Operator

Visitors present:

Shawn Arbaugh, DEP
David Gates, DEP
Stanley Mutzabaugh
Bob Johnson
Jodi Rissinger

Act 537 Plan Update, DeCoven Wastewater Treatment Plant (WWTP)

Shawn Arbaugh was present to discuss the DeCoven WWTP and its inclusion in the Township's Act 537 Plan (Plan) of 2001. He noted that one of the requirements of the Plan was that the "...Decoven facility will be taken off line and the properties it currently serves will be connected to the Cove facility by a low pressure sewer and pump station." He also noted that DEP sent the Township a letter in 2008 asking for a schedule of implementation and received no response. Another letter was sent to the Township in 2009; this time a response was received from Solicitor Dennis Shatto stating that he does not feel the Plan requires the WWTP to be connected. DEP disagrees with this opinion.

Mr. Arbaugh stated that the issue has "fallen through the cracks" for a few years but was brought to his attention in October 2012.

Mr. Arbaugh stated that there are a lot of violations at the WWTP and presented the Authority with a copy of the order given to the current owner. The order was issued on December 6, 2012 and requires him to submit an NPDES permit application so he can continue running his business until he is connected to the sanitary sewer. His NPDES permit expired November 1, 2006; for the past several

years he has had no certified operator, and has not been in compliance with DEP regulations. The WWTP is in bad condition with a steel tank and rusted pipes and needs to be replaced or eliminated.

Chairman Auxt stated that the Authority disagrees with DEP's interpretation of the Plan. The Authority has always maintained that it will supply capacity in its Cove plant for this WWTP and has so notified the past and previous owners that capacity is available. He noted the Authority's position that it is the financial responsibility of the owner to get to the sewer main. He also informed Mr. Arbaugh that a low pressure line was installed to within ten feet of the DeCoven property line. Chairman Auxt asked Mr. Arbaugh to put himself in the Authority's place – if the Authority connects this owner, the next owner will expect the same thing, which puts an undue burden on all the ratepayers.

It was noted that a pump station would be needed to get the flow to the Cove plant, that the Township's rules requires businesses with more than five EDUs and within 3,000 feet of the line to connect. There are currently approximately 15 EDUs on the property.

Elmer asked what DEP's next step is with the owner of the property. Mr. Arbaugh responded that he has until January 15th to comply with the order for a permit application. If it is technically complete, DEP will pursue penalties for non-compliance. If he does not comply with the order or the application is not complete, DEP will obtain a court petition to force the order. DEP will also talk to him about a reduction of the penalties if he works with the Authority to get connected.

Mr. Arbaugh disagreed with the Authority's position, stating that it is the Township's responsibility to deal with sewage within its borders. He noted that the Plan referred to PennVest financing for the sewer construction. Chairman Auxt asked if that meant the Authority would have to take out a loan to connect this property. Mr. Arbaugh replied, "if that's what it takes to connect this property." Elmer noted that the Authority does not have the right to go onto private property for construction. Chairman Auxt noted that DEP has another option – close the owner down. He re-iterated that the Authority can't tell its ratepayers the rates are increasing because it has to connect a private property.

Mr. Arbaugh stated that he would expect the Authority to bill the owner for the expenses incurred, or make the tapping fee high enough to cover the costs. Chairman Auxt stated that he thought it would cost \$500,000 to install a new system and that the owner could never repay that. Mr. Arbaugh noted that the minutes stated it would cost \$70,000 to install, which he considers to be a reasonable cost. Chairman Auxt noted that cost does not account for installation of new piping to correct the substantial current I&I problem. Mr. Arbaugh responded that the owner would be paying a monthly charge to handle the outflow.

Mr. Arbaugh stated that it has been twelve years since the Plan was approved and implementation still has not occurred. He requested that the Authority work with DEP to complete the implementation. Chairman Auxt stated that the Authority is willing to work with DEP. Elmer stated that someone needs to work with the owner. Chairman Auxt again stated that the Authority has communicated to all owners in the past twelve years that capacity is available for them to connect, to no avail. Mr. Arbaugh reiterated that sewage within the Township is the Township's responsibility. He offered two choices. The Township can disagree with DEP, in which case it will receive an order to connect, which can be appealed, or the Township can work with DEP on a schedule of implementation through a consensual agreement order. DEP will mail out a letter on Monday, January 7th and give the Authority until February 7th to make a decision.

Henry asked if Mr. Arbaugh had also noted in the minutes the additional costs of upgrading the WWTP, which will affect the rate payers. He feels that the Authority has done its part by informing the owners of available capacity and by purchasing a right-of way to the sewer main to proceed. Mr. Arbaugh noted that nothing has worked in twelve years.

CeCe responded that the Authority has done its part; the property owner has not. She noted that there has been no permit since November 2006 and asked why DEP has not put pressure on the owner, like it is being placed on the Authority. The owner has until January 15th to respond, which only gives the

Authority two additional weeks to make a decision. Mr. Arbaugh responded that DEP has inspected the WWTP, wrote up violations, but when it questioned where the permit application was, the owner always replied that he is working on it. DEP has tried to work with him, to no avail. DEP has now issued him an order and will start talking about penalties. Mr. Arbaugh again stated that connection is included in the 537 Plan. He does not know why the plant was exempted, but should have been connected when the neighboring properties were. He added that this should not be a surprise to the Authority, since DEP has sent letters outlining its position. CeCe stated it is no surprise for the Authority, but it is a surprise that DEP has not put more pressure on the owner. Chairman Auxt stated he was surprised that DEP feels it is incumbent upon the Authority to make the connection, when the owner is going to benefit from it, not the current ratepayers. He asked why DEP doesn't shut the WWTP down, and was told that it is in the 537 Plan to provide for sewerage.

Chairman Auxt noted that DEP forced the Township to install the sanitary sewer in Perdix in 2004, but did not give any financial assistance, possibly because of personality clashes between the two entities. He offered that if a government agency issues a mandate, it should supply financial aid. He also offered that the Authority is willing to work with DEP to mend those fences, but has to be concerned about its other 500 customers.

Mr. Arbaugh explained that shutting down the WWTP is reserved as a last resort. Since there is no current NPDES permit on file, DEP can not get the owner to enforce it. DEP has issued an order for a new permit so that it can be enforced. At the present, the only thing DEP can enforce is the Clean Streams Act, since the owner is issuing sewage illegally. Elmer suggested that the owner's hand might be forced if DEP were to issue court orders and penalties.

Henry stated that the Authority's protocol is that the infrastructure must meet the Authority's regulations before it takes ownership of the facility. The Cove plant is a tight system, and can not accept a lot of I&I entering into it. Mr. Arbaugh stated that DEP respects that, but the WWTP is in bad shape, connection is included in the Plan, and DEP is present tonight to prevent environmental issues.

Mr. Arbaugh recommended that the Authority reach out to the owner and communicate to him that this meeting was held and the need to have the WWTP connected to the sanitary sewer. Mr. Arbaugh was unsure what DEP would do if it orders the Township to make the connection and is told that it can't take over the facilities because the lines are bad. He will send the Authority a letter outlining the available options, and will continue to work with the owner to get a new permit and help work with him to get connected.

Chairman Auxt stated that the Authority can accommodate what it feels the owner has to do, and is willing to work with DEP.

Henry asked if the existing WWTP could be improved or replaced, as a cost-saving measure. At first Mr. Arbaugh said "no" because the connection is included in the Township's plan, and because it prefers combined sewage treatment as opposed to smaller package plants. He then said he is not sure DEP would deny it, but would need to look at the proposed plant design. He will discuss it with his boss and get back to the Authority. He suggested the Authority discuss it with its engineer.

Minutes

Upon a Knaub/Holman motion, the Authority voted to approve the December 5, 2012 minutes as presented.

Visitors

Jodi Rissinger

Jodi noted that at the June 27, 2012 Conditional Use meeting, the DeCoven owner stated that sewage disposal was provided for. CeCe will review those minutes. Jodi asked Solicitor Shatto if he had spoken to Township Solicitor, Rich Wagner, about the Porta-Potty issue at Eagle's Nest. She added that

Solicitor Wagner had sent a letter to the tenant of Eagle's Nest. Solicitor Shatto stated he had not yet been in touch with Solicitor Wagner and was still researching the issue.

Engineer Report

Keystone Pump and Power

Engineer Ben Shull had been requested to research obtaining emergency generators on a contract basis. He reported that Keystone Power and Pump charges a retainage fee of \$100 per month, which gives the contractee the right of first refusal and guarantees delivery within one hour. The transportation fee is \$100-\$150, the daily fee is \$165, the weekly fee is \$330, and the monthly fee is \$990. No action was taken.

Sunshine Hill Water System Upgrade

Ben reported he has been in contact with Mike Hess of DEP concerning permits for the proposed water facilities update and what permits are needed and when. Operator Ed Chism noted that storage capacity is greatly needed, and permitting should be done for it first, and then work on the iron/manganese treatment facility. It appears that, if a permit is obtained for part of a facility, it would not need to be constructed immediately.

Ben was instructed to draw up a detailed design for the water facilities. He was also authorized to complete all necessary surveying for the system upgrade.

Community Development Block Grant Funding

It was reported that, once the contract for the funding is received, the Authority has three years to install the fire hydrants on Sunshine Hill. It is unclear whether some of the funding can be used for upgrading of the water lines connected to the fire hydrants.

DEP Meeting Review

Since the Solicitor and Engineer were not at the earlier meeting with DEP, a review of the meeting was provided to them at this time. The Engineer pulled out his earlier study showing an estimated cost of \$70,000 to connect the DeCoven property to the sanitary sewer. This includes a duplex grinder pump at an estimated cost of \$14,000, and 1,180 feet of line. He will check on the EDU capacity in the two-inch diameter line if that line was terminated at Dale Ward's.

Plant Operator Report

There was no written Operator Report

The Discharge Monitoring Reports dated November 2012 were circulated for members' review. Members were asked to contact Ed at any time with questions about the reports or operation of the WWTPs and water system. He noted that the Cove DMRs have become larger due to the Chesapeake Bay Initiative.

Stone Mill Estates

Ed asked that the Authority send a letter to the Penn Township Planning Commission stating when its last discussion with Forrest Troutman concerning the Stone Mill Estates took place.

Field Representative Report See written report for December.

The Field Representative report was reviewed with the following comments.

1433A, 1433B, 1435, and 1437 State Road

Field Representative Sam Auxt reported that both EOne pumps were replaced because they were clogged with excessive grease, as was the wetwell and the service lateral to the low pressure main on Schoolhouse Road. A letter will be sent to the owner explaining that, according to the *Rules and Regulations*, the first service charge is free, but subsequent service calls due to negligence are at the owners' expense.

During the replacement, it was discovered that there are four units in the structure, but only three tapping fees were paid. In addition, only one monthly sewer charge is being assessed. Research at the Township office showed that no building permits were ever issued to the owner to divide the original structure. Discussion was held on how one of the units could even be connected. In light of this, Sam will contact Mr. Beemer and set up a site visit to inspect the property to determine the number of living units and how they are connected to the sanitary sewer.

1623 State Road

Sam reported that he responded to a grinder pump (GP) alarm at 1623 State Road and found the GP to be jammed with a wad of "cotton-like" material. There was also a large build up a gritty material on the bottom of the wetwell. Since this is not the first service call for negligence the owner will be charged for the cost of pulling the GP and the resultant labor. He will also be told to have the grit removed from the GP and to send the Authority proof of compliance. The Executive Secretary will also research if there is an outstanding invoice from a previous service call. If so, it will be added to this invoice.

1134 State Road

Sam reported that he responded to a GP alarm at 1134 State Road and found it to be jammed with a baby wipe. The owner will be sent a letter informing him that subsequent service calls due to negligence are at his expense. Sam reported that he noticed there is still an I&I problem at the property that has not been addressed.

Grinder Pump Ownership

Discussion was held on turning ownership of the GPs in multi-residential buildings over to the landlords. However, as Henry pointed out, had this been current practice the Authority would not have discovered the billing discrepancy at 1433 State Road.

Petersburg Commons Water Leak

Sam reported that the leak at Petersburg Commons has been scheduled for repair on Saturday, January 5th, and that the residents will be notified that the water will be shut off during that time and a boil water advisory will take affect after the repair is completed.

Master Meter Report

The Master Meter report was circulated among the members with no comments.

Penn Township Supervisor (PTS) Report

There was no report.

Solicitor Report There was no written report.

All items for the Solicitor were discussed earlier in the meeting.

Billing Clerk Report

Delinquent Accounts

The list of accounts delinquent as of December 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 \$7,486.56. Sewer delinquencies total \$65,831.81. The Authority will continue to take a hard line against delinquencies. Eighteen people owe \$47,900.53. The Solicitor will contact Karen and will send letters informing customers with balances in excess of \$850.00 to bring them current or be turned over to the Sheriff for collection.

Treasurer Report

Invoices and Expenditures

There was a Knaub/Novinger motion to approve payment of the December 2012 invoices totaling \$62,211.51. Motion passed by unanimous vote of the Authority.

Financial Report

After review, there was a Novinger/Holman motion to approve the Financial Report for December 2012, subject to audit. Motion passed by unanimous vote of the Authority. The balance of all accounts was \$628,354.81. However, \$244,253.08 is earmarked for escrows and future projects. An additional \$242,539.42 has been set aside for capital projects – major expenses for equipment failures and replacement of infrastructure. The remaining \$141,562.31 is available for operating expenses.

Executive Secretary Report

The tapping fee installment payment report was reviewed. Members were asked to contact Karen if they ever have questions about office procedures or the reports. The Solicitor will contact Karen for an update of the accounts and will send letters reminding the customers that their installment payments are overdue.

JOAC Report

Members were reminded that the JOAC meeting will be held on Monday, January 14th at 6:30 p.m. in the Duncannon Borough office.

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.

Uninstalled Lateral on Railroad Street

The lateral onto the Magaro property on Railroad Street will be installed at the same time the lateral for the Band Boosters concession stand is installed, probably in the spring of 2013.

New Business

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

Township Newsletter

Articles for the Township newsletter are due by January 18th. Suggested topics are tips on preventing clogs in GPs and obtaining the proper permits when adding an apartment to an existing dwelling.

1323 State Road

The owner of 1323 State Road has recently moved. The property is being winterized, the electricity will be shut off, and the property will be put up for sale in the spring. The owner has asked if the sewer charge can be abated. It was the consensus to grant a three-month abatement. Sam will pull the circuit breaker in the GP and put a lock on it. Billing will re-start when the water is turned back on. Susan will contact the owner in the spring and find out when the house will be ready for occupancy.

2012 Budget

Members were presented with a final update of the 2012 budget, subject to audit. Operating income for the year was \$665,877 and operating expenses were \$705,400.

Adjournment

With all business completed, a Knaub/Holman motion for adjournment was made at 9:00 p.m. Motion passed by unanimous vote.

Susan E. Long
Recording Secretary