

**PENN TOWNSHIP MUNICIPAL AUTHORITY
PERRY COUNTY**

102 Municipal Building Road
Duncannon, PA 17020

July 3, 2013

The Penn Township Municipal Authority (Authority) met on Wednesday, July 3, 2013 in the Penn Township Municipal. Chairman Elmer Knaub 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:

Elmer Knaub, Chairman
Sam Auxt, Vice Chairman Auxt
Henry Holman, Secretary/Asst. Treasurer

Professional staff present:

Dennis Shatto, Esq. of Cleckner and Fearen, Solicitor

Authority staff present:

Edward Chism, Wastewater Treatment Plant (WWTP) and Water Systems Operator
Susan Long, Treasurer, Recording Secretary

Visitors present:

David Grey, SEDA-COG
Bill Seigel, SEDA-COG
Bob Johnson

Minutes

Upon a Holman/Auxt motion, the Authority voted unanimously to approve the June 5, 2013 minutes as presented.

Visitors

David Grey, SEDA-COG
Bill Seigel, SEDA-COG

SEDA-COG has replaced Tri-County Planning Commission in the administration of the Community Development Block Grant (CDBG) funding. The Authority was awarded \$140,000 in CDBG funding to install ten fire hydrants in the Sunshine Hill water system. Mr. Grey and Mr. Seigel were present to discuss the details and funding of the project. They reported that the Perry County Commissioners were agreeable to enlarging the scope of the project. The first phase of the project will include the construction of a water treatment facility, a water storage tank and booster pumps, and a new distribution line down to Butchershop Road with a fire hydrant at the end. The second phase would include replacement of the rest of the distribution lines.

It is necessary to have a storage tank in place before any fire hydrants can be connected. A 100,000-gallon tank would hold a 2½-day supply, but discussion was held on increasing the size to 150,000 gallons and including it as part of the project.

Mr. Seigel asked about the Authority's wells. Well #1 has a very low yield of 5000 gallons per day and is not being used. Well #2 is being used. While its water has high manganese content, it is being treated. There is the possibility that another well can be acquired. Mr. Seigel agreed that getting sufficient storage and new treatment facilities would help with the Authority's current problems with manganese and power outages.

Mr. Seigel explained that CDBG funds flow from the federal government to the state and then to the counties. Before the state passes on any of the funds, it sets aside 13% of the funds for "competitive funding". He stated that SEDA-COG would like to work with the Authority and Perry County Commissioners to apply for this funding. He stated that municipalities with water problems and low income are highly considered and that 61% of the service area qualified as low-moderate income in the last survey.

Mr. Seigel felt very confident that the Authority could receive up to \$500,000 in competitive funding. Combined with the \$140,000 received from CDBG for this year and possibly another \$140,000 in the next round of funding, the Authority might be able to receive a total of \$700,000 - \$800,000 in grants.

Mr. Seigel stated that the possible Stone Mill development could not be included in the project, because the average income of the residents of the development might not be in the low-moderate range,

The manager of Pfautz Apartments (Pfautz) has approached the Authority about supplying water to the complex and discussions have begun. The complex does meet the income level and can be included in the project. Sam explained to Mr. Seigel that Pfautz would upgrade its distribution system and make the connection at Butchershop Road. The Authority would meter Pfautz's water and Pfautz would be charged a bulk rate. Mr. Seigel informed the Authority that under the rules of the funding, Pfautz can not be charged a tapping fee because of its low-moderate income level. He did suggest, however, that the interconnection with Pfautz be included in the first phase. Mr. Seigel is going to contact Pfautz's manager for information about the complex.

Mr. Seigel noted that the Authority's water rate is low according to other municipalities and it might be asked to increase them slightly to increase the odds of receiving the competitive funding.

Mr. Grey will need to meet with the Authority's engineer to discuss project costs. He will contact Sam with his available dates and Sam will co-ordinate a suitable meeting time for the engineer, Chairman Knaub, Mr. Grey and himself to discuss the project.

It was noted that the piping on one of the Authority's 1,500-gallon storage tanks is leaking. Both tanks were installed in the 1950's and the Authority could be facing an emergency situation in the near future. Sam asked if the Authority could start construction of the new water facilities now, using the CDBG funding that it has been promised. Mr. Seigel stated that the basis of the competitive funding application is the urgency of the project. He felt that it would reduce the chances of receiving that funding if that part of the project is completed now, in addition to draining some of the Authority's reserve funds. He estimated that it would be summer of 2014 before the Authority would learn the results of the competitive funding and asked if the Authority could make repairs to keep the system running for a year. Operator Ed Chism has already contacted PA Rural Water Association for assistance. The Authority will check the availability of pressurized stainless steel tanks that could be connected to by-pass the current tanks.

Mr. Seigel stated that the Authority needs to do the following: Set up a meeting with the engineer as specified above. Decide if it wants to proceed. Decide how much money it can contribute to the project (a minimum of \$50,000; ideally 15% of the project cost). Approve Mr. Grey to draft a letter to the Commissioners to apply for competitive funding. Additionally, at some future point, a public hearing will have to be held for the residents of the impacted service area.

Engineer Report

Chairman Knaub informed the Authority that Ben Shull has resigned from Wm. F. Hill and Associates. The owner of the engineering firm has stated that there is a capable replacement to take over Mr. Shull's projects with the Authority. Mr. Hill will discuss these projects with Authority representatives after the meeting with Mr. Grey. Mr. Shull's written report was reviewed.

Borough Market Street Bridge Replacement

Ben has notified PennDOT that the Authority would like to incorporate the addition of a force main on the new bridge. The force main would connect to the existing manhole and cross under the creek, for the purpose of installing a lateral to the property currently occupied by Perry County Beer Distributor.

Northern Low-Pressure Sewer Extension

Ben reported that the area for the low-pressure sewer extension has been surveyed. However, he had difficulty finding the property marker at the corner of Susquenita School District and the former Dale Ward properties. The Authority will enlist the aid of a local surveyor to establish the location of the property pins.

Sunshine Hill Water System Upgrade

Ben reported that he submitted profile information about the water storage tank to the treatment suppliers. He also reported that iron levels were found to be less than the detection limits and were not an issue for treatment.

NPDES Permits

Ben had earlier informed the Authority that the NPDES permits for Cove and Kinkora WWTPs will expire in July 2014 and suggested the Authority start the re-application in October. His report stated that his firm could complete the work for a price not to exceed \$2,500. Ed offered to assist with the application to save the Authority that cost. He will obtain the short-form applications and work with the Authority staff to complete it.

Plant Operator Report

The Discharge Monitoring Reports for May 2013 were circulated for members' review. Members were asked to contact Operator Ed Chism at any time with questions about the reports or operation of the WWTPs and water system.

Stone Mill Estates

As Chairman of the Penn Township Planning Commission (PTPC), Ed presented a letter to the Authority asking if it has officially notified the developer by letter that it can supply water to Stone Mill Estates. The Authority has not done this because the developer's engineer had told the members that it would be sufficient to have the notification in the minutes.

The PTPC also would like to know what progress has been made in the last 2½ years regarding the resolution of water/sewer service to the development. The letter mentioned that a new plan had been submitted by the developer and asked if the Authority had reviewed it, and if so has any substantial progress been made? The letter also stated that the developer has asked for nineteen time extensions for the purpose of resolving water/sewer issues.

It was the consensus that no progress has been made. Even though the developer knew that the Authority could supply water to the development, the latest plan still calls for individual wells. Additionally, the developer was told about the problems created by installing the sewer lines through the steep slope areas, but the latest plan still shows them in the same place.

Solicitor Dennis Shatto will send a letter to the developer that the Authority is able to supply water to Stone Mill Estates. He will also send a letter to the PTPC stating that no progress has been made on the resolution of water/sewer issues.

Pfautz Water Interconnect

Ed reported that he provided Pfautz's manager with an estimate of costs Pfautz would incur to obtain water from the Authority. \$12,000-\$20,000 would be needed upfront, The bulk water cost would be approximately \$60,000 per year. It would be Pfautz's responsibility to install the infrastructure to make the interconnection on Butchershop Road. If Pfautz maintains the system, there could be a 15% discount in the cost of bulk water.

Ed reported that the manager is researching DEP's requirements if Pfautz purchased water from the Authority.

Henry asked if Pfautz would pay the cost of the water meter. Ed responded that it would be included in the upfront money. Henry did not feel that the upfront money would cover all necessary costs. He also mentioned the need for Pfautz to install a backflow preventer.

Field Representative Report See written report for June.

The Field Representative report was reviewed with the following comments.

Sewer Issues

Sam reported that the new piping in the odor control building is working okay and has not corroded.

Henry noted that a deadplate was installed to seal the unused ball valve on the main sewer piping and asked if the Authority should seal them all. Sam responded that there was no reason not to remove the ball valves and sell them as scrap. The money received should pay the plumber's cost to remove and seal them. The Authority will consider the idea.

Master Meter Report

The Master Meter report was circulated among the members with the comment that there were no unusual readings.

Penn Township Supervisor (PTS) Report

There was no PTS report.

Solicitor Report There was no written report.

Installment Payments for Tapping Fees

After discussion, and upon an Auxt/Holman motion, the Authority voted unanimously to have the Solicitor send a letter to the customers who are not making their monthly \$30 installment payments. He will inform them that they have defaulted on their agreements, that they must pay the loan in full, or the Authority will move forward with Sheriff sales as enforcement of the agreement.

Billing Clerk Report

Delinquent Accounts

The list of accounts delinquent as of June 30, 2013 was reviewed. The Authority will continue to follow its procedure for filings with the District Judge and the Perry County Prothonotary. Water delinquencies total \$7,732.51. Sewer delinquencies total \$66,629.98. The Authority will continue to take a hard line against those customers.

The Solicitor reported he will continue to send letters to customers with delinquent balances above \$850.00, informing them to bring their accounts current, or set up a payment plan. If not, the Authority will proceed with offering the properties up for Sheriff's sale.

Treasurer Report

Invoices and Expenditures

There was an Auxt/Holman motion to approve payment of the June 2013 invoices totaling \$64,409.02. Motion passed by unanimous vote of the Authority.

Financial Report

After review, there was an Auxt/Holman motion to approve the Financial Reports for June 2013, subject to audit. Motion passed by unanimous vote of the Authority. The June 30th balance of all accounts was \$624,222.28. However, \$222,114.50 is earmarked for escrows and future projects. An additional \$311,087.01 has been set aside for capital projects – major expenses for equipment failures and replacement of infrastructure. The remaining \$91,020.77 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.

JOAC Report

The next JOAC meeting is scheduled for July 8th at 6:30 p.m. in the Duncannon Borough building.

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.

2012 Financial Audit

Copies of the 2012 Financial Audit had been provided to the members. Upon an Auxt/Holman motion, the Authority unanimously approved the 2012 Financial Audit done by Robert Morrison, Inc.

Railroad Street Lateral

This issue was tabled until the August 7th meeting.

CDBG

It was reported that the application for CDBG funding for 2013 has been forwarded to the Perry County Commissioners.

Bulk Water Rate

Upon an Auxt/Holman motion, the Authority voted unanimously to establish a bulk water rate for the Deimler Trailer Park (DTP). The Authority installed a master water meter last fall and will begin billing the owner of DTP based on the master meter reading and discontinue reading the individual water meters. Since the owner maintains the water system, a 15% reduction of charges will be given.

A letter will be sent to the owner, informing him of the new rate schedule and billing process to start with the quarter including July, August and September. It will also be noted that the properties at 5 Jefferson and 35 Jefferson have always been part of the infrastructure of the DTP and will be included in

the bulk water charge. It will be up to the owner to read those meters and bill those properties. Included in the letter is an offer to sell the owner a meter reader for \$50 and a notice to contact the Authority if there are any questions.

Long Range Project Work Sheet

This issue was tabled until August 7th meeting.

Dedicated Trenching

Upon an Auxt/Holman motion, the Authority voted unanimously to approve an amendment to the *Rates, Rules and Regulations (R&Rs)*, Section 3.120, "Open Trench Inspection". The amendment reads as follows. "The Authority requires a dedicated trench. Unless otherwise approved by the Authority, there shall be a minimum of 24 inches of separation from other utilities. It shall not be permissible to install sewer or water laterals, including main line piping, in any trenches that are intended to carry other utilities."

Water Connection of the Pfautz Properties

This issue will be further discussed at the August 7th meeting.

Submersible Water Pump Quotes for the Sunshine Hill Water Facilities

Karen will be requested to obtain prices of stainless steel submersible water pumps from Co-Stars. This issue will be further discussed at the August 7th meeting.

Sewer/Water Abatements

The staff is currently working on revising Article VII of the R&Rs. This section refers of abatement of rentals and charges and will be further discussed at the August 7th meeting.

Decoven Sanitary Sewer Connection

The Authority has not had any communication from DEP or Mike Ward, the owner of the former Decoven property. After the meeting with the engineer, Chairman Knaub will update DEP on the Authority's progress and inform DEP it has not heard from Mr. Ward.

Mandatory Water Connection Ordinance

Chairman Knaub will ask Karen to scan a proposed water connection ordinance and email it to the Solicitor for his review.

Authority Vacancy

The Authority will ask Karen to send a letter to the Penn Township Board of Supervisors, informing them that the Authority has had no luck in finding a name to submit for the vacancy and asking for their assistance in filling the empty position.

Morrison Headquarters Sanitary Sewer Connection

The Solicitor will send Rock Morrison a letter informing him that the deadline for connection was June 30, 2013 and that he will now be billed a monthly Ready-to-Serve charge in the amount of \$60. He will be reminded that the Authority has not received any plans for approval, and can install the sanitary facilities and put a lien against the Morrison properties. The PTS will receive a copy of the letter. Karen will be asked to research the Township's Connection Ordinance (#101) to see if provisions for daily fines are included.

New Business**Members 1st Federal Credit Union Resolution**

Susan reported that when the Authority joined Members 1st the appropriate forms were filed. However, new forms are needed and these were executed tonight by the appropriate officers. She noted that the Authority has \$97,974.57 with PLGIT and that the quarterly interest earned was \$8.27. Since the account has not been used for several years, she suggested that the funds be transferred to Members 1st. Upon a Holman/Auxt motion, the Authority voted unanimously to approve Resolution 2013-02, authorizing Members 1st as a depository for the Authority's funds. The motion also included closing the PLGIT account and transferring the proceeds to Members 1st.

Adjournment

With all business completed, a Holman/Auxt motion for adjournment was made at 9:15 p.m. Motion passed by unanimous vote.

Susan E. Long
Recording Secretary