

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

Approved
12/2/15

November 4, 2015

The Penn Township Municipal Authority (Authority) met on Wednesday, November 4, 2015 in the Penn Township Municipal Building. Vice-Chairman Jim Kocher called the meeting to order at 7:00 p.m. He led the group in the recitation of the *Pledge of Allegiance* and a moment of silence.

Authority members present:

Jim Kocher, Vice-Chairman
Elmer Knaub, Secretary
CeCe Novinger, Asst. Treasurer
Sam Auxt, Asst. Secretary

Professional staff present:

Dennis J. Shatto, Solicitor
Randy Bailey, P.E., Wm. F. Hill Associates

Authority staff present:

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

Visitors present:

Lew-Massie, Facility Operation And Maintenance, Inc. (FOAM)
Jim DeLaney, FOAM
Thom Kautz, FOAM

Minutes

Upon an Auxt/Knaub motion, the Authority voted unanimously to approve the October 7 and 12, 2015 minutes as presented.

Visitors

Lew Massie, Jim Delaney, and Thom Kautz

Vice-Chairman Kocher explained that the Authority had received three proposals for the position of water and wastewater operator. One was from Sam Smith, Jr., one was from FOAM and the last was from PA Environmental Solutions, Inc. (PESI). Mr. Smith does not have DEP Certification for water or wastewater, and was not called in for an interview.

Elmer stated that he, Jim, Plant Operator Ed Chism, and Field Operator Sam Auxt met with representatives of FOAM and PESI on two occasions. After that, Jim and he reviewed and compared both proposals. He stated that both proposals were similar in scope; however, based on the lower cost proposed by FOAM, Jim and he recommended that FOAM be hired.

Upon an Auxt/Novinger motion, the Authority voted unanimously to hire FOAM to conduct the operations of the Authority's wastewater and water facilities, at an annual cost of \$44,196.00.

FOAM will start operating the facilities on Monday, November 9th. Ed will work with them for a few days until they become familiar with the facilities. Mr. Kautz stated that FOAM would start

compiling an inventory of Authority supplies and equipment, and will make recommendations of short- and long-term needs for the facilities.

Ed will notify DEP verbally that he will no longer be the operator of the facilities. Office staff will provide the required information to DEP online.

Mr. Kautz stated that FOAM would submit the Discharge Monitoring Reports (DMR) to DEP but would need authorization from the Authority.

After discussion, and upon an Auxt/Kocher motion, the Authority voted unanimously to approve and execute the *Proposal for Water and Wastewater Operation and Maintenance Services* and additionally to authorize FOAM to submit DMRs to DEP on the Authority's behalf.

Engineer Report See written report dated November 4, 2015

Sunshine Hill DEP Consent Order

Engineer Randy Bailey reported that on October 8th, DEP revised and re-issued a *Consent Order and Agreement* (Order) for the compliance and operation of Well #2. The Authority signed the Order, which was received by DEP on October 30th. The Engineer noted that the Authority has thirty days to take the corrective measures specified in the Order. Item E. requires that the flow meter on the well be calibrated. Sam will contact Susquehanna Sprinklers to see if they provide that service. Item F. requires the installation of a flow restrictor on the well pump, limiting it to seventy gallons per minute. The Engineer will call Eichelberger's to see if they provide that service. DEP is also requesting revised specifications of the additional 4-LOG piping that the Authority had installed.

DEP had inspected the Sunshine Hill water system in March and had listed violations on its inspection report. Corrections were put on hold because the Authority felt that the issues would be resolved when the water system was upgraded. Because the water system upgrade project fell through, DEP issued the Order.

Ed asked the Engineer to review the March inspection report and separate the suggestions from the requirements.

Mike Ward (MW2, Inc.) Sewer Extension Project

The Engineer noted that, at its October 7th meeting, the Authority did not accept the installation of the incorrect HDPE DR 9 pipe. He reported that to-date no contractor has been on site, and no schedule has been submitted for the re-installation of the correct pipe, HDPE DR 11.

The Engineer stated that he has been in contact with DEP about the status of this project. He will continue to update them on the progress of the project, but does not feel that they will put pressure on Mr. Ward to finish the connection to the sanitary sewer in a timely manner.

Kerlin Sewer Extension

The Engineer reported that he was informed on October 21st that part of the installation of the low-pressure system had been started. This was done without the owner or contractor contacting either the Engineer or the Authority. The Engineer was then directed by the Authority to inform Act One & Associates to "Cease and Desist". The Engineer made two site visits and talked with the contractor. He feels the components of the system that he could see meet the project requirements.

As an update, Sam reported that Pennoni Associates, the UCC inspector, must see the grinder pump in use. Since the grinder pump has not yet been installed, they can not inspect the installation. They asked Sam to be the "go-between" and do the inspection when Lenker Excavation makes the final connection.

The Solicitor reported that the deadline to list properties on the January 2016 docket will be within several weeks. He will be working with Executive Secretary Karen Rhinehart on which delinquent properties should be listed.

The Deimler bankruptcy plan has been revised and is coming up for approval by the bankruptcy court. He noted that they are still to be making payments to the Authority in accordance with the old plan, although this is not being done.

Water Condition, Sunshine Hill Water System

The Solicitor noted that one of the customers, who has regularly been having dirty water, has requested the Authority provide him with a filtration system. Elmer, Ed, and Sam all noted that the number of complaints has increased. Sam stated that he has been trying to improve the water conditions since he became a member. Now that the funding for an upgrade has been rescinded, Sam suggested that the Authority divest itself of the Sunshine Hill water system and consider future plans for the Petersburg Commons water system as well. He stated he did not feel that it was right for the Authority to collect money for the condition of the water and that the Authority does not have the funds to upgrade the system. Elmer stated that the Authority had no assurance that a buyer would fix the problems. Jim suggested that the Authority hold a public meeting for the customers and inform them what happened with the state funding, and ask them for input on how to improve the system. Ed suggested that the Authority could waive the water connection requirements and allow the owners to dig wells. He also noted that FOAM's DEP-certified water operator works for Eichelberger's/Culligan and may be able to provide assistance on resolving some of the issues.

No final decision was made about a time for the public meeting.

Ward Property, State Road

The Solicitor reported that he put a lien on the Ward property in the amount of the delinquent Ready-to-Serve charges.

Treasurer Report

Delinquent Accounts

The list of accounts delinquent as of October 2015 was reviewed. Water delinquencies total \$14,810.82. Sewer delinquencies total \$79,278.41. The Authority will continue to follow its procedure for filings with the District Judge and the Perry County Prothonotary.

Invoices and Expenditures

After review, there was a Novinger/Auxt motion to approve payment of the October 31, 2015 invoices totaling \$89,593.91. Motion passed unanimously.

Financial Report

After review, there was an Auxt/Novinger motion to approve the Financial Report for October 2015, subject to audit. Motion passed by unanimous vote of the Authority. The October 31st balance of all accounts was \$254,970.63. However, \$7,732.16 is earmarked for escrows, and \$150,783.48 is earmarked for future projects. \$96,454.99 is available for capital projects – major expenses for equipment failures and replacement of infrastructure.

Executive Secretary Report

There was no report.

JOAC Meeting

The JOAC meeting will be held on Monday, November 9th, at 6:30 p.m. at the Duncannon Borough Office. Sam stated that he would be unavailable for this meeting.

Old Business

1109 State Road

This will remain as an agenda item as a reminder that the on-lot septic system must be abandoned before the property can be occupied.

Penalty Abatement

Discussion was tabled until the December 2nd meeting.

New Business

2016 Budget

The proposed budget for 2016 was presented for members to review. They were asked to bring their copies to Authority meeting that will be held after the JOAC meeting.

Unconnected Properties With Paid Tapping Fees

Earlier discussion had been held concerning properties for which the owner has paid the tapping fee, but the property is undeveloped. If these properties are considered to be "connected", then capacity is being reserved for them and is unavailable for any other customer. If however, the property is considered to be "disconnected", then the owner could pay a \$300.00 per year Reservation of Capacity (ROC) fee to ensure capacity is there for future development of the property. The owner of a "disconnected" property would need to pay a tapping fee to re-connect the property to the sanitary sewer, whether or not the ROC fee is paid.

Susan presented a list of undeveloped properties for which the tapping fees were paid over ten years ago. The Solicitor is going to review the agreements signed by these property owners when they paid the tapping fees and report back at the December meeting.

Norm's Tire and Auto GP Repairs

On September 11th, Jody Hoffman of IJ Technical was called to Norm's for a service call for a GP malfunction. Since this is a business, the owner is financially responsible for maintenance of the GP. Normally Mr. Hoffman asks for a \$1,800.00 deposit up-front. However, the owner did not have the deposit money, so Mr. Hoffman pulled and replaced the defective GPs. After repairs were made, he invoiced the Authority, who in turn invoiced the business. The owner of the business has now requested to pay the Authority the \$3,737.85 in three monthly installments. After discussion and upon an Auxt/Novinger motion, the Authority voted unanimously to accept the owner's proposal for installment plans.

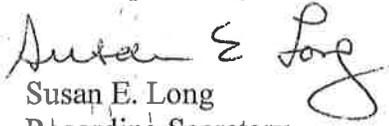
However, office staff will notify Mr. Hoffman that GPs are the business owner's responsibility and they are the ones who are to receive the bill.

Jim Kocher Reappointment

Upon an Auxt/Novinger motion, the Authority voted unanimously to recommend to the Penn Township Supervisors that Jim Kocher be re-appointed for another five-year term.

Adjournment

With all business completed, a Novinger/Knaub motion for adjournment was made at 9:05 p.m.
Motion passed by unanimous vote.


Susan E. Long
Recording Secretary

Summary of Accounts

100 Petty Cash
 102 Marysville Checking
 115 Members 1st

\$ 229.08
 156,619.19
 98,122.36

Account Total
 Cap Project

\$ 254,970.63
(254,970.63)

Available for Operating Expenses

\$

TOTAL OF ALL ACCOUNTS

\$ 254,970.63

January 1, 2015 Balance

416,586.75

Gain or (Loss)

\$(161,616.12)

REVENUE SUMMARY

Sewer Revenue
 Water Revenue
 Tap Fees/Additional EDUs
 Interest, Marysville/PLGITMembers 1st
 Reservation of Capacity
 Monthly Transfer to Capital Projects
 Misc. Refunds to Cap Projects

Current Mo.
 \$ 57,971.83
 \$ 7,305.94
 \$ 539.59
 \$ 14.64
 \$ -
 \$
 \$

Year-to-Date
 542,424.03
 31,379.91
 22,413.17
 274.65
 600.00
 50.00

Project Reserve

\$ 22,413.17
 \$ 274.65
 \$ 600.00
\$ 50.00

PROJECT RESERVE

1/1/2015 \$ 395,934.03
 Income \$ 23,337.82
 Outflow \$ (164,301.22)
Balance \$ 254,970.63
 Earmarked \$ (7,732.16) Escrow Accounts
 Earmarked \$ (150,783.48) Capital Projects
Available \$ 96,454.99

EARMARKED

\$ 75,499.90
 \$ 35,000.00
 \$ 40,283.58
 \$ 2,045.26
 \$ 2,500.00
 \$ 1,472.34
 \$ 1,714.56
\$ 158,515.64

SH Water System Upgrade
 Kinkora WWTP Upgrade
 Remainder for Market St. Line
 S Mutzabaugh Escrow
 Stone Mill Estates Escrow
 M Ward Escrow
 Kerlin Escrow

OUTSTANDING DEBTS

Water Street, final payment 12/2032
 1991 PV 22568 Duncannon, 12/2021
 PV 79354 Susq. Hills/Penn Manor/Perdix, final 8/2037

As Of

\$ 44,158.22
 509,449.38
 4,802,613.08
\$ 5,356,220.68

11/5
 11/1
 11/1

PROJ. RESERVE OUTFLOW BREAKDOWN

\$ 37,894.61
 \$ 6,143.66
 \$ 42,933.53
 \$ 13,060.50
 \$ 73.50
 \$ 59,716.42
 \$ 4,479.00
\$ 164,301.22

SH Water System Upgrades
 Jan/April Expenses Transfer
 May/July Expenses Transfer
 October Expenses Transfer
 Market Street Force Main
 Market Street Sewer Main
 2 Myers 1.5 HP Pumps