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

February 1, 2017

The Penn Township Municipal Authority (Authority) met on Wednesday, February 1, 2017 in the Penn Township Municipal Building. Chairman Henry Holman, III, 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. He announced that the meeting was being recorded to aid in preparation of the minutes.

Authority members present:
Henry Holman, III, Chairman
Jim Kocher, Vice-Chairman
Elmer Knaub, Secretary
CeCe Novinger, Asst. Treasurer

Professional staff present:
Dennis J. Shatto, Solicitor
Randy Bailey, P.E., WM. F. Hill, Engineer

Authority staff present:
Susan Long, Treasurer, Recording Secretary
Jim Delaney, Facility Operation And Maintenance, Inc. (FOAM)

Visitors present:
Chester Kope
Russell Wertz
Jim Halkias, Creekview LLC

Minutes

Upon a Kocher/Novinger motion, the Authority voted to approve the January 4, 2017 minutes as corrected.

Visitors

Chet Kope, 16 Railroad Street

Mr. Kope was present to discuss the rate increase, the delinquent list, and the procedures for collection of delinquent accounts. He asked if owners of vacant lots were charged for sewer. He was told that, before the property is developed, the owner needs to pay a tapping fee and a grinder pump fee. After connection to the sanitary sewer, the owner would then pay the monthly sewer charge.

Mr. Kope asked why the sewer was not being disconnected on properties with delinquent balances. The Solicitor replied that the Authority can legally shut off water to delinquent properties, and that he is researching the legality of disconnecting the sewer on such properties.

Mr. Kope requested a copy of the procedure for collection of delinquent properties, a copy of the 2017 budget, and a copy of the latest delinquent list. He was told he will be mailed the copies the next week.

Russell Wertz, 1464 State Road

Mr. Wertz is considering approval to fill the vacancy on the Authority. He was present tonight to learn what is discussed at the meetings.

Jim Halkias, Creekview LLC

Mr. Halkias is purchasing the land parcel containing the Deimler Trailer Park (TP) and the house at 35 Jefferson Street. He questioned why he was being billed for sewer for 20 lots when only 14 lots had trailers. He was told that the previous owners had repeatedly been asked to provide updates on vacancies, but never responded. Therefore, the Authority has been billing for the number of trailers on site when the TP was first connected to the sanitary sewer.

Mr. Halkias was presented with an invoice detailing the delinquent water and sewer charges owed for the TP and the house at 35 Jefferson, along with lien fees, and Solicitor fees involved in collection of the delinquent accounts. The total amount owed is $75,833.27. There was a Kocher/Knaub motion to approve Mr. Halkias's proposal to pay $11,400.00 a month - $1,400.00 toward the current sewer charge, and $10.000.00 toward the delinquency. However, after discussion, the motion was rescinded.

There then was a Kocher/Knaub motion to allow Mr. Halkias to pay $10,000.00 per month, the first payment to be made by February 28th and the remaining payments by the 28th day of each month thereafter, until the delinquency is paid. During this period there will be no penalties added to the delinquent amount. If any payments are missed, the property will be put on the docket of the next Sheriff's Sale. Motion passed unanimously. Executive Secretary Karen Rhinehart will draw up a payment agreement to be signed by Mr. Halkias.

Mr. Halkias was informed that he should contact the Authority if he decides to add additional trailer pads above the 20 already in place. This is needed so that the Authority can find out if there is enough capacity in the sewer line to accommodate additional flow.

Engineer Report

See written report dated February 1, 2017.

Sunshine Hill Water System PA DEP Consent Order (Order)

PA DEP has decreed that Well #1 must be physically disconnected, with the water line capped. Engineer Randy Bailey noted that this still has not been done. Chairman Holman stated that he and his brother have volunteered to disconnect the well under the auspices of the Authority. He stated that the job should be finished this weekend. The Engineer requested that he be notified when the work is finished, so that he can notify PA DEP.

On January 30th, the Engineer met with Jim, Elmer, and the Duncannon Borough (Borough) manager, at the Borough's engineer's office to discuss the interconnection of the Borough and Authority water systems. This interconnection may increase the source water withdrawal amounts to the extent that an application will have to be made to the Susquehanna River Basin Commission (SRBC). This application could be quite costly and take up to 18 months to be approved.

The Engineer contacted Bill Seigel at SEDA-COG to advise him of the situation. Mr. Seigel acknowledged that the application might be an issue, but thought that a time extension for grant funding could be approved.

A meeting has been advertised for February 15th at 6:00 p.m. for further discussion. Attending the meeting will be the Authority, Penn Township Supervisors, Borough Sewer Authority, Borough Council, Bill Seigel, and the engineers of both municipalities.

Mike Ward (MW2, Inc.) Sewer Extension Project

MW2 has paid for 10 EDUs, but according to monitoring statistics from August 1st through January 25th, has been discharging an average of 21 EDUs. Mr. Ward had been given until this meeting to give the Authority an indication that his discharge is lessening. Based on the latest statistics, it has been increasing. His average daily flow is 3,146 gpd. On January 23rd the discharge was 6,580 gallons.

The capacity of the line was again discussed, with the Engineer explaining the difference in capacity of a gravity versus a low-pressure line. He reiterated that he does not think capacity is a problem at this point, but does not want it to become problematic if Mr. Ward's discharge continues to increase.

There was a Novinger/Kocher motion to have the Solicitor contact Mr. Ward and ask him the size of his well discharge pipe. The Authority will provide and install a water meter and external reading button at its cost to monitor his water usage. This must be done by February 28th. Motion passed unanimously. This action is being taken to decide how much of Mr. Ward's discharge is due to inflow and infiltration (I&I).

The Solicitor will forward to Mr. Ward a breakdown of expenses charged to the MW2 escrow account since its establishment.

Operator Report

See the written report dated February 1, 2017.

Jim Delaney of FOAM briefly reviewed the report. He noted that all facilities performed satisfactorily during January and were operated within the PA DEP permit limits.

Field Representative Report

There was no report.

Master Meter Report

The master flow meter report was included in the Correspondence Folder for the members' review.

Penn Township Supervisor (PTS) Report

Chairman Holman reported that the PTS agreed to do PA One Calls relating to marking sewer and water lines. A letter was received from the PTS requesting that copies of the sheets showing the Authority's sewer and lines be made at the PTS expense. Their Secretary would take them to be copied on a Friday and picked up the following Monday. Chairman Holman is going to review the charts in the Authority office to decide which ones should be copied.

Solicitor Report

Perry County Beer

Solicitor Dennis Shatto reported that the owner of Perry County Beer, Joe Fillipone, has his contractor working on design specifications for the Authority's engineer. He will also inform Mr. Fillipone that the Authority will need $2,500.00 to set up an escrow account for the project.

Delinquent Accounts

The Solicitor reviewed the list of accounts delinquent as of January 31, 2017. He noted the accounts that will be listed on the January Sheriff's Sale docket. He also noted that the cost of each filing with the Sheriff's office has increased from $750.00 to $2,500.00. He will list properties for the April Sale by the February 17th deadline. While the Authority will recoup the expenses from the property sale and get a refund for unused monies, it is still a large tie-up of the Authority's money for several months.

Water delinquencies total $24,396.99. Sewer delinquencies total $90,882.47. The Authority will continue to follow its procedure for filings with the District Judge and the Perry County Prothonotary.

Treasurer Report

Invoices and Expenditures

After review, there was a Novinger/Knaub motion to approve payment of the January 31, 2017 invoices totaling $64,652.59. Motion passed unanimously.

Financial Report

After review, there was a Novinger/Kocher motion to approve the Financial Report for January 31, 2017, subject to audit. Motion passed by unanimous vote of the Authority. The January 31st balance of all accounts was $173,290.01. Of this, $76,041.04 is earmarked for escrows and future projects, leaving an available balance of $97,248.97.

Executive Secretary Report

There was no report

JOAC Meeting

The JOAC meeting will be held Thursday, February 16th, at 6:30 p.m., in the Duncannon Borough Office at 428 High Street.

Incoming/Outgoing Correspondence

The Correspondence folder was reviewed individually during the meeting. Members are to let the office know if they want a copy of any item of correspondence.

Periodicals

The newest periodicals are put on the table for the members to take. Leftover periodicals are discarded after the meeting.

Old Business

Old business was discussed earlier in the meeting:

New Business

2016 Financial Audit

Proposals were received from the following companies for audits of the fiscal years 2016, 2017, and 2018.

MaherDussel: $10,400.00, $10,700.00, and $10,925.00

Smith, Eliot, Kearns and Co.: $7,750.00, $8,000.00, $8,250.00

After discussion, and upon a Kocher/Novinger motion, the Authority voted unanimously to accept the bid from Smith, Eliot, Kearns and Co. Both firms will be notified of the decision.

Resolution 2017-01

Upon a Novinger/Knaub motion, the Authority voted unanimously to approve Resolution 2017-01. This resolution allows for the disposal of Treasurer Reports dated through December 31, 2015, Bank Deposit Slips dated through December 31, 2013, and Bank Statements, Invoices and Checks, and Customer Payment Records dated through December 31, 2009.

Grinder Pump Ownership

Susan noted that the Authority spent $57,342.96 to repair grinder pumps in 2016 and noted that it would be increasing every year. She asked if the Authority should consider turning over ownership to the property owners. She was asked to provide information on the number of grinder pumps that are

owned by the Authority. The Authority will then figure out the expense to ensure they are in good working order before a Document of Certification can be issued.

Medical Marijuana Processing Plant

Chairman Holman reported that he attended the public meeting concerning an application to construct a medical marijuana processing plant in Business Campus One. It is estimated that the facility would employee from 25-50 employees. At this time, the amount of flow that would be discharged into the sanitary sewer is unknown, as is the type of industrial waste that might be discharged.

2017 Re-organization Meeting

Upon a Kocher/Knaub motion, the Authority voted unanimously to retain the 2016 officers, contractors, employers, and depositories, with the change that CeCe Novinger will be Assistant Secretary and Assistant Treasurer, and Jim Kocher will be a bank signatory.

Chairman – Henry Holman, III
Vice-Chairman – Jim Kocher
Secretary – Elmer Knaub
Treasurer – Susan Long
Asst. Sec./Asst. Treas. – CeCe Novinger
Executive Secretary – Karen Rhinehart
Right-to-Know Officer – Karen Rhinehart
Field Representative – Jody Hoffman, I J Technical Services
Depositories – Marysville Bank, Members 1st Credit Union
Signatories – Henry Holman, Elmer Knaub, Jim Kocher
Plant Operator – Facilities Operation and Maintenance, Inc
Legal Services – Dennis J. Shatto
Engineering Services – Wm. F. Hill Associates, Inc.

Adjournment

With all business completed, a Kocher/Novinger motion for adjournment was made at 9:23 p.m. Motion passed by unanimous vote.

Susan E. Long

Corresponding Secretary