

**DRAFT MINUTES OF THE ANNVILLE
TOWNSHIP AUTHORITY
November 28, 2017**

The November Regular Monthly Meeting of the Annville Township Authority was held starting at 5:30 PM on November 28, 2017 in the Commissioners' Room of Annville Town Hall, 36 North Lancaster Street, Annville, PA with the following members present: Barry Ludwig, Chairperson; David Myers, Vice Chairperson; Keith Seward, Secretary; Anthony Perrotto, Treasurer; and Hugh Rooney, Assistant Secretary/Assistant Treasurer. Also in attendance were Nicholas T. Yingst, Township Administrator and Authority Clerk; Leslie J. Powell, Superintendent of the Wastewater Treatment Plant (WWTP); Corey Lamoureux, Esq., Township Solicitor; and Kent Morey, Engineer with SSM Group, Inc.

Chairperson Ludwig called the meeting to order and led those present in the Pledge of Allegiance to the flag of the United States of America.

PUBLIC COMMENT: Chairperson Ludwig provided an opportunity for public comment and no comments were noted.

MINUTES: MOTION by Mr. Seward, second by Mr. Perrotto to approve the minutes of the Regular Meeting held October 24, 2017 as presented. Motion carried unanimously.

MUNICIPAL SEPARATE STORM SEWER SYSTEM (MS4) REPORT: The Authority was informed of the following item:

MS4/Stormwater Fee Development: Mr. Morey presented the Authority with some strategy documents for educating and involving the public in the development of the MS4/stormwater fee. In particular there was discussion on appropriately naming the fee to ensure its purpose was well communicated, identifying organizations and entities that should be made part of the development process, means of educational outreach, and credits.

Regarding the naming of the fee, Mr. Morey noted the advantages of communicating stormwater benefits, if the fee should in part fund improvements to stormwater infrastructure such as storm sewers, as well as clean water, which is the primary focus of the MS4 program, while concurring with Mr. Yingst's concern that any potential benefits to the storm sewer system not be oversold. Mr. Yingst shared that he has started a conversation about the name of the fee with other municipal representatives of the Lebanon County Stormwater Consortium (LCSC), of which the Township is a member, and while those municipalities indicated they had not yet settled on a fee name, it was agreed to discuss this further at the December LCSC meeting. Mr. Perrotto expressed his preference for highlighting the clean water benefits in the fee name, and possibly even "MS4" to convey the federal and state requirements that are making the fee necessary. He also expressed his concern that referencing infrastructure in the fee name might create confusion as to why these funds were not being collected via property taxes and paid through the General Fund. Mr. Rooney asked at what price what the fee would be set. Mr. Morey noted this is some of what SSM Group had been tasked to determine, and as such that could not yet be answered definitively, although he expressed his belief that an annual fee of \$25 per Equivalent Residential Unit (ERU) had proved to be a good rate in other jurisdictions and he thought that would be a good target for Annville's base ERU. The members of the Authority then discussed this and there was general concurrence that such a base rate seemed palatable. The Authority also reviewed why a fee was being used to collect these funds instead of a tax and there was concurrence a fee was fairer than a tax increase

due to stormwater runoff from all properties in the Township affecting its requirements under the MS4 program and, as such, it would be inequitable for tax-exempt properties to not participate, thereby increasing the funding burden upon taxable properties.

Regarding identifying organizations and entities to include in the fee development process, Mr. Perrotto noted an interdenominational organization of churches existed in Annville and he provided a name to Mr. Yingst for him to contact. Mr. Yingst also agreed to create a listing of organizations and their contact information to target for inclusion in this process, and possibilities such as service organizations, the Quittapahilla Watershed Association, the Friends of Old Annville and its Quittie Park Committee, the Doc Fritchey Chapter of Trout Unlimited, Destination Annville, and the Lebanon Conservation District were suggested in addition to the aforementioned organization of churches. Several large landowners in the Township were also suggested for inclusion, including Lebanon Valley College, Stone Hill Village, Butler Manufacturing, and the Woodside Court Homeowners Association. Mr. Rooney expressed his belief that it was important to include such large landowners in the process early on as they would be bearing a larger portion of the cost than the average rate payer due to the size of their property. To that end, he suggested it would be of benefit to know the total anticipated costs from which the ERU would ultimately be derived so that a “big picture” number, and what it was intended to fund, could be shared early on, and Mr. Perrotto concurred.

Regarding educational outreach, Mr. Morey asked how the development of the fee could be communicated to the broader public. Mr. Yingst noted the annual Township newsletter was issued in March, but at Mr. Rooney’s suggestion he indicated the Township could try to issue it at the beginning of February 2018 and include information on the fee. Mr. Rooney asked if this would be an adequate timeframe, and Mr. Morey indicated he believed it would be. He noted this should be adequate for scheduling an informational meeting sometime in early-March, which should then allow for enough time to have the fee set and appropriately allocated to the properties in the Township by the beginning of May, which was Mr. Yingst’s target if the fee was to be assessed on the July 1 bills. Mr. Morey also suggested the aforementioned organizations and large property owners should be contacted before the end of the year and a meeting scheduled with them no later than February 2018, and preferably in January. There seemed to be concurrence with this strategy. He shared his belief that public involvement early in the process is a key component to the successful assessment of such a fee and he suggested this should be mentioned at the next Board of Commissioners meeting to ensure the Board was in concurrence with this and to spread the word as broadly as possible.

Regarding credits, Mr. Morey briefly shared the variety of credits that could be allowed, ranging from activities such as the use of rain barrels to the installation of Best Management Practices (BMPs) like rain gardens on properties. Mr. Yingst expressed his concern that while rain barrels were easily accessible to rate payers, they did not actually reduce the Township’s sediment loading in a measurable way as BMPs did, and thus would represent a reduction in the fees needed to fund the Township’s contribution via the LCSC to meet its joint Pollutant Reduction Plan (PRP) without providing BMPs that could go toward meeting the PRP requirements. It was also noted it could be very cumbersome to inspect properties to determine if a rain barrel was in place, and if rain barrels were not emptied timely and appropriately, they would not have any benefit whatsoever. Mr. Morey suggested this might be a point of discussion at an upcoming LCSC meeting, as well

as if the Township's annual cost to the consortium could be reduced due to his recent understanding that Butler Manufacturing was operating under its own National Pollutant Discharge Elimination System (NPDES) permit for stormwater.

Mr. Morey left the meeting at 6:20 PM.

SEWER FUND AND SEWER CAPITAL FUND REPORT: The Authority reviewed the income statements and balance sheets for the Sewer Fund and Sewer Capital Fund for the period ending October 31, 2017. Mr. Yingst indicated a year-end surplus continued to be projected for the Sewer Fund and, in accordance with the 2018 budget discussions from previous Authority meetings, he reported the Board of Commissioners would be considering authorization at its December Regular Meeting for (1) the transfer of \$200,000 from the Sewer Fund to the Sewer Capital Fund and (2) the transfer of \$75,000 from the Sewer Fund to the MS4 Fund.

ACCOUNTS PAYABLE: The Accounts Payable list for November 2017 was reviewed. Mr. Rooney asked if he was aware if the Township's insurance agent had changed names based upon what he observed when driving by its office in the past week. Mr. Yingst indicated he was not aware of such a name change but would inquire of the Township's insurance agent about this. With no further discussion noted, **MOTION** by Mr. Perrotto, second by Mr. Myers that the list of vendors to be paid (Cash Disbursements Journal) for the Sewer Fund, which list is filed with other Authority records, be approved by the Authority for submission to the Board of Commissioners for payment. Motion carried unanimously.

SUPERINTENDENT'S REPORT: Mr. Powell reported that the WWTP is operating very well. He began by reviewing the Monthly Report before moving on to review the Status of Pending Projects Report, a copy of which is attached hereto and made a part of these minutes, and the following items were discussed in detail:

Surcharges: The Authority reviewed the results of the latest samplings for the American Legion, Annville-Cleona High School (ACHS), and Kindred Place. Mr. Yingst noted that copies of these sampling results were mailed to these entities earlier in the month and based upon these results surcharges would be assessed to the December 1, 2017 sewer bills of the American Legion and ACHS while there was no surcharge for Kindred Place. He further noted this represented the second sampling of the American Legion and, following a courtesy waiving of the surcharge for the previous quarter's testing and correspondence indicating same, would represent the initial assessment of a surcharge to the American Legion's upcoming sewer bill.

Methanol Filter System Processor: Mr. Powell summarized the circumstances of the failure of the methanol filter system earlier in the month. Mr. Rooney asked what was the cause of the failure and Mr. Powell ascribed it to a power surge from a lightning strike, which he noted happened with some frequency at the WWTP due to its elevation. Mr. Powell further noted that he has subsequently addressed this by installing surge protectors that previously were not in place. Mr. Rooney expressed his frustration that this problem was not addressed as part of the WWTP upgrade project. Chairperson Ludwig noted that such problems were not uncommon, as he has experienced similar issues at the Myerstown WWTP. Mr. Powell noted that when the methanol filter system fails, it basically shuts down the entire processing system of the plant. He reported that Gannett

Fleming evaluated the price provided by Xlem for a new processor and found it to be reasonable, while also noting that if a processor were purchased from another firm it would still need to be programmed by Xlem (who provided the initial processor). Mr. Rooney expressed his appreciation to Mr. Powell for installing surge protectors to prevent this from occurring again. With no further discussion noted, **MOTION** by Mr. Rooney, second by Mr. Perrotto to recommend to the Board of Commissioners it approve the purchase of a replacement methanol filter system processor from Xlem at a cost of \$6,842.30. Motion carried unanimously.

SOLICITOR'S REPORT: The Authority was informed of the status of several properties pertaining to unpaid sewer and trash fees:

28 North King Street: Regarding the unpaid sewer and trash fees pertaining to the Blackman property at 28 North King Street, Mr. Lamoureux reminded the Authority that a lien could not be filed for these delinquent costs due to the property owner filing for bankruptcy. He reported he has continued to be in contact with the attorney who is acting as the trustee for the bankruptcy process and has received notice the sale of this property has been approved. Per the order approving that sale and his conversations with the trustee, he is hopeful the Township will be paid for the delinquent sewer and trash fees upon the closing of this property as the trustee will be providing him with the date of settlement and at which point he will provide the total costs owed.

144 Water Street: Regarding the lien against the Forbes property at 144 Water Street, it was noted that payment in the amount of \$128.19 was made on October 30, 2017, bringing the balance of principal and interest on the lien to \$141.27 not including accruing interest, filing costs, and attorney's fees.

ENGINEER'S REPORT: Nothing to report this month.

CLERK'S REPORT: The Authority was informed of the following items:

Delinquent Report: Mr. Yingst informed the Authority of the measures taken by the Township Office over the past month to collect on delinquent accounts. He noted that since the October 24, 2017 Authority meeting 18 accounts were posted for shutoff; this was comprised of four customers who were under a payment contract but had not paid, 11 customers not under a payment contract with the Township, and three landlord/tenant customers. Mr. Yingst concluded by reporting that over the past five weeks more than \$5,400 had been received from significantly past-due customers.

Anticipated Vacancy on the Authority: Mr. Yingst reported the individual he contacted who had previously expressed interest in serving on the Authority, Elizabeth Lingle, indicated her regrets that she would be unable to do so at present. The Authority concurred on having Mr. Yingst request a letter of interest from Anthony Deaven, as he had expressed interest in being considered for this position.

December Meeting Reminder: Mr. Yingst reminded the Authority that, due to the Christmas holiday, the Township Authority would be holding its final 2017 meeting on the third Tuesday in

December, December 19, and was scheduled to hold its election of officers for 2018 at that meeting.

MOTION by Mr. Perrotto, second by Mr. Myers to approve the reports as presented at this meeting. Motion carried unanimously.

There being no further business to come before the Authority, **MOTION** by Mr. Myers, second by Mr. Rooney to adjourn the meeting. Motion carried unanimously and the Regular Meeting was adjourned at 6:36 PM.

(Assistant) Secretary