

**MINUTES OF THE ANNVILLE
TOWNSHIP AUTHORITY**

January 27, 2015

The January Regular Monthly Meeting of the Annville Township Authority was held starting at 5:30 PM on January 27, 2015 in the Commissioners' Room of Annville Town Hall, 36 North Lancaster Street, Annville, PA with the following members present: Anthony Perrotto, Chairperson; Hugh Rooney, Vice Chairperson; Barry Ludwig, Secretary; David Myers, Treasurer; and Keith Seward, Assistant Secretary/Assistant Treasurer. Also in attendance were Nicholas T. Yingst, Township Administrator and Authority Clerk; Timothy D. Sheffey, Township Solicitor; Leslie J. Powell, Superintendent of the Wastewater Treatment Plant (WWTP); and Dale Shope, Engineer with Gannett Fleming.

Chairperson Perrotto 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 Perrotto provided an opportunity for public comment and no public comments were noted from those in attendance.

MINUTES: MOTION by Mr. Ludwig, second by Mr. Seward to approve the minutes of the Regular Meeting held December 16, 2014 as presented. Motion carried unanimously.

SEWER FUND REPORT: The Authority reviewed the Sewer Fund Report for the period ending December 31, 2014.

ACCOUNTS PAYABLE: The Accounts Payable list for January 2015 was reviewed. **MOTION** by Mr. Seward, 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.

WASTEWATER TREATMENT PLANT (WWTP) IMPROVEMENTS PROJECT: The following items regarding the WWTP improvements project were discussed in detail:

Payment Requisition: An invoice summary was distributed on the WWTP improvements project, which included pay estimates for Gannett Fleming engineering services for the period ending December 26, 2014 in the amount of \$1,739.31. **MOTION** by Mr. Ludwig, second by Mr. Seward to recommend for payment to the Board of Commissioners the list of invoices for the WWTP improvements project as presented in the total amount of \$1,739.31. Motion carried unanimously.

Escrow: Mr. Yingst provided an update on the \$483,000 pertaining to the WWTP improvements project that is being held in escrow by Lebanon County. He reported that he had a conversation the previous week with Robert Sentz, Executive Director of the Lebanon County Planning Department, regarding the steps that need to be taken before the escrow money would be released by the County. Subsequent to this conversation Mr. Sentz provided Mr. Yingst with the detail of the items and amounts that comprise the escrow calculation, which pertain to erosion and sedimentation control measures, stormwater and sewer construction, and general site improvements, and Mr. Yingst then provided this information to Mr. Powell and Mr. Shope. Per review of this document, Mr. Shope asked if all plantings were in place. Mr. Powell indicated

that they were and Mr. Shope noted his opinion that a final inspection would be appropriate. **MOTION** by Chairperson Perrotto, second by Mr. Rooney to authorize Mr. Yingst to contact the Lebanon County Planning Department to request that an inspection be performed on the WWTP site by the County Engineer in order for the escrow to be released to the Authority. Motion carried unanimously.

SUPERINTENDENT'S REPORT: Mr. Powell reported that the WWTP is operating very well. He reviewed 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:

Chapter 94 Report Proposal: A proposal was presented for Gannett Fleming to prepare the Chapter 94 report for the WWTP for 2014. Chairperson Perrotto noted that this represented a 22% increase to the cost for preparing the 2013 Chapter 94 report and inquired as to what this increase pertained. Mr. Shope indicated that much of the cost is related to data analysis and preparation, including a relatively new analysis of solids production levels, while noting that these analyses were also part of the 2013 report. He then noted that the proposal represented a "not to exceed" amount, and that if actual costs were less than indicated in the proposal, the Authority would only be charged for actual costs. Mr. Shope also indicated that the proposal was based, in part, on the actual costs for preparing the 2013 report, which exceeded the amount quoted for that project. There was then discussion about whether there was sufficient time to delay action on this proposal and it was determined that the deadline for filing the Chapter 94 report would likely not allow for such a delay. Chairperson Perrotto asked if the proposal for the Chapter 94 report could be received earlier in the future to allow the Authority more flexibility in evaluating it. Mr. Ludwig indicated that he thought December would be reasonable and Mr. Shope concurred. **MOTION** by Mr. Rooney, second by Mr. Myers to recommend to the Board of Commissioners to authorize Gannett Fleming to prepare the Chapter 94 report for the WWTP for 2014 at a cost not to exceed \$3,800. Motion carried unanimously.

First Stage Blower Valve Control Boards: Mr. Powell reported that he wished to discuss the matter of the damaged first stage blower valve control boards further with Mr. Shope before recommending a specific action to the Authority, and he anticipates doing so at the February Regular Meeting. Based upon Mr. Powell's concerns that continued issues with the control boards could place the warranty in jeopardy, Chairperson Perrotto asked if it was prudent to wait another month before taking formal action. Mr. Powell indicated he hoped it would be and that in the meantime he would be contacting NE Controls to determine whether the service calls would continue to be covered, especially if the Public Works Department installs replacement controls boards should the Authority ultimately decide upon that course of action.

Laboratory Certification: At the recommendation of Mr. Powell, **MOTION** by Mr. Ludwig, second by Mr. Rooney to recommend to the Board of Commissioners that it authorize Keith Heck to take the laboratory certification test at a cost not to exceed \$115. Motion carried unanimously.

SOLICITOR'S REPORT: Mr. Sheffey informed the Authority of the following items:

ANNVILLE TWP.WASTEWATER TREATMENT PLANT

STATUS OF PENDING PROJECTS

January 23, 2015

- | | | |
|-----|-------------------------------|--|
| (1) | <u>SURCHARGE</u> | No sampling due to weather |
| (2) | <u>HAULING</u> | Hauled 9 loads - 34,200 gals |
| (3) | <u>PLANT</u> | No update |
| (4) | <u>CH 94 RPT</u> | It should run around \$3,800 dollars to have report done. |
| (5) | <u>FLUSHING</u> | No Flushing due to weather |
| (6) | <u>SEPTAGE STATION</u> | I would like to get permission to get computer boards for 1st stage air system so we can get N.E. controls back to calibrate everything before the warranty runs out. It should cost around \$2,710.00 if we get them to install them. I think the plant staff should be able to install them, this way we can save the \$1,000 install fee. |
| (7) | <u>FLOW METER</u> | Installed and works very good |
| (8) | <u>LAB LICENSE</u> | I would like to send Keith Heck to take his Lab certification Test for a cost of \$115.00 dollars this is just like an operator's license. |

Respectfully Submitted,
Les Powell Chief Operator

Cleona Pump Station Maintenance Agreement: Mr. Sheffey reported that the Cleona Borough Authority adopted a resolution earlier in the month approving a \$500 quarterly increase to the rate it is charged by the Annville Township Authority for the pump station maintenance agreement. As a result, Mr. Sheffey informed the Township Authority that it would be appropriate for it to adopt a corresponding resolution and he presented such a resolution for the Authority's review and approval. **MOTION** by Chairperson Perrotto, second by Mr. Seward to adopt Resolution No. 20150127-001, amending the pump station maintenance agreement with the Cleona Borough Authority by increasing the quarterly charge for these services by \$500 per quarter, effective January 1, 2015. Motion carried unanimously and a copy of this resolution is attached hereto and made a part of these minutes.

Status of Municipal Liens Against Properties at 807 East Walnut Street and 113 South King Street: Mr. Sheffey reported that the principal amount of the municipal lien pertaining to unpaid sewer and trash fees for 807 East Walnut Street was paid prior to the date that attorney's fees could be assessed. He further indicated that the remaining balance of this lien has also been paid in full and that the lien has been satisfied. Mr. Sheffey then reported that no payment has been received pertaining to the municipal lien for unpaid sewer and trash fees for the property at 113 South King Street and that attorney's fees may now be assessed.

Status of Municipal Lien Against Properties Owned by BSW Holdings: Mr. Sheffey discussed the status of the municipal lien for unpaid sewer and trash fees for properties owned by BSW Holdings on North King Street and Church Street. He noted that he submitted a letter to BSW Holdings in December 2014 requesting that he be contacted on or before January 6, 2015 concerning the possibility of establishing a payment arrangement to pay off this lien. Mr. Sheffey further noted that while BSW Holdings has made an inquiry to the Township Office about this letter, it has not contacted him directly and no proposal regarding a payment arrangement has been received. It was further noted, however, that the finances of BSW Holdings are evidently being handled by different individuals than previously and the balance of the lien has begun to be paid down since the issuance of Mr. Sheffey's December 2014 letter. The Authority discussed this information in detail and agreed with Mr. Sheffey that he and Mr. Yingst should review the status of this matter further and then make a recommendation to the Authority at a future Regular Meeting regarding how it may proceed.

ENGINEER'S REPORT: Nothing to report.

CLERK'S REPORT: Mr. Yingst informed the Authority of the following items:

Delinquent Report: Mr. Yingst reviewed the delinquent report and informed the Authority of the measures taken by the Township Office over the past six weeks to collect on delinquent accounts. He noted that since the December 16, 2014 Authority meeting 26 accounts were posted for shutoff; this was comprised of 11 customers who were under a payment contract but have not paid, seven customers who do not currently have a payment contract with the Township, and eight landlord/tenant customers. Mr. Yingst also reported that over the past six weeks more than \$8,400 has been received from significantly past-due customers, including \$1,500 from BSW Holdings.

RESOLUTION NO. 20150127-001

A RESOLUTION OF THE ANNVILLE TOWNSHIP AUTHORITY, LEBANON COUNTY, PENNSYLVANIA, AMENDING THE AGREEMENT OF DECEMBER 6, 2000, WITH THE CLEONA BOROUGH AUTHORITY REVISING THE CHARGES FOR SERVICES AND PAYMENTS RELATING TO ROUTINE MAINTENANCE OF THE CLEONA PUMP STATION.

WHEREAS, Annville Township Authority and Cleona Borough Authority, on December 6, 2000, entered into an AGREEMENT for Annville Township Authority to provide routine maintenance for the Cleona pump station, as well as charges for such services and payments, in pertinent part; and

WHEREAS, the AGREEMENT provides a process for an increase in the rates charged by Annville Township Authority to Cleona Borough Authority for routine maintenance of the Cleona pump station; and

WHEREAS, Annville Township Authority, by communication dated October 8, 2014, notified Cleona Borough Authority of its proposed rate increase effective January 1, 2015; a true and correct copy of that communication is attached hereto, made a part hereof, and marked Exhibit "A"; and

WHEREAS, Cleona Borough Authority has agreed to the proposed rate increase, as described in the attached Cleona Borough Authority Resolution No. 2014-03, adopted January 7, 2015, a true and correct copy of which is attached hereto, made a part hereof, and marked Exhibit "B"; and

WHEREAS, Annville Township Authority shall also approve a Resolution approving the increase of charges effective January 1, 2015:

NOW, BE IT ENACTED AND RESOLVED, and it is hereby enacted and resolved by the Annville Township Authority, as follows:

1. The above set forth recitals are incorporated herein and made a part of this RESOLUTION.

2. The Annville Township Authority does hereby approve the amendment of the AGREEMENT with Cleona Borough Authority dated December 6, 2000, revising the charges for services provided for routine maintenance of the Cleona pump station as described in paragraphs 1 and 2 of the AGREEMENT, which charges, effective January 1, 2015, shall be

Twenty-Eight Thousand Dollars (\$28,000.00) for one (1) year of routine mechanical, preventive maintenance upon the Cleona pump station, with Cleona Borough Authority paying four (4) quarterly payments in the amount of Seven Thousand Dollars (\$7,000.00) each, to be paid January 15, April 15, July 15, and October 15 of each year.

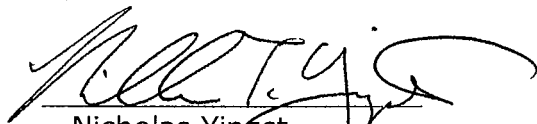
3. All other provisions of the AGREEMENT of December 6, 2000, other than as modified herein, shall remain unchanged and in full force and effect.

ENACTED AND RESOLVED, by the Annville Township Authority, Lebanon County, Pennsylvania, this 27th day of January, 2015.

ANNVILLE TOWNSHIP AUTHORITY

By: 
(Vice) Chairman
Annville Township Authority

ATTEST:


Nicholas Yingst
Clerk

ANNVILLE TOWNSHIP AUTHORITY

P. O. BOX 320
ANNVILLE, PA. 17003-0320

(717) 867-4476 * FAX (717) 867-0916

October 8, 2014

Bryan D. Hoffman, Chairman
Cleona Borough Authority
140 West Walnut Street
Cleona, PA 17042

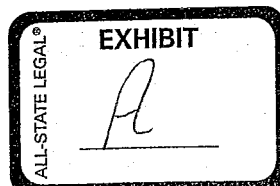
Re: Agreement Between the Cleona
Borough Authority and the
Annville Township Authority to
Provide Maintenance for the
Cleona Pump Station

Dear Mr. Hoffman:

I am communicating with you with respect to the Agreement entered into between the Cleona Borough Authority and the Annville Township Authority dated December 6, 2000. In paragraph 2 of that Agreement the charges for services and payment arrangements at the beginning of the Agreement are set out. Paragraph 5 of the Agreement deals with its extension.

The Annville Township Authority desires to continue this Agreement and to continue to work with the Cleona Borough Authority. Consistent with the Agreement, the Annville Township Authority is giving notice to the Cleona Borough Authority of an increase in the charges for services beginning with the 2015 calendar year. The charges are to be raised to the sum of \$28,000.00 for one year of services as described in paragraph 1 of the Agreement. Payments shall be revised so that they are \$2,333.33 per month. The balance of the existing agreement shall remain in full force and effect between the parties. This change in the charges for services shall not have any effect on paragraphs 3 and 4 of this Agreement, in particular, as they are now understood by the parties.

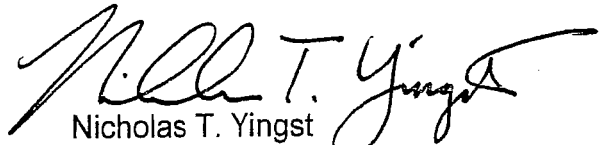
The Agreement provides that the parties shall amend this contract by adopting a Resolution approving this increase in the charge for services. Each such Resolution shall be adopted by the respective Authority no later than December 1 of this contract year.



On behalf of the Annville Township Authority, we request your adoption of a Resolution confirming the new charge for services, in the amount of \$28,000.00 per year, with monthly payments of \$2,333.33 per month. The Annville Township Authority anticipates adopting a Resolution at either its October or November 2014 Regular Meeting.

If you have any questions, or would wish to speak with me further about this, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Nicholas T. Yingst". The signature is fluid and cursive, with the first name "Nicholas" and last name "Yingst" clearly distinguishable.

Nicholas T. Yingst
Annville Township Administrator and
Clerk of the Annville Township Authority

Cc: Timothy D. Sheffey, Esq., Solicitor
Leslie J. Powell, Chief Operator - Annville Wastewater Treatment Plant
(via email)

Cleona Borough Authority

Resolution #2014-03

**A Resolution of Cleona Borough Authority, Lebanon County, Pennsylvania,
declaring its intent to continue the agreement with Annville Township
Authority to provide maintenance for the Cleona Pump Station and approve
an increase in the charges for services**

Whereas, Cleona Borough Authority and Annville Township Authority entered into a Sewer Maintenance Agreement on December 6, 2000, by which Annville Township Authority provides maintenance for the Cleona Pump Station; and

Whereas, the Agreement provides that changes in the rate of charges for Annville Township Authority to perform the sewer maintenance shall be approved by Resolution; and

Whereas, Annville Township Authority has given notice to Cleona Borough Authority that it is increasing the charges for services for the 2015 calendar year; and

Whereas, Cleona Borough Authority desires to continue this Agreement and approve of the increase in charges for 2015;

NOW THEREFORE, BE IT RESOLVED:

1. The Cleona Borough Authority hereby approves the amendment of the Sewer Maintenance Agreement charges for services with Annville Township Authority in accordance with the letter dated October 8, 2014, attached hereto marked as Exhibit "A".

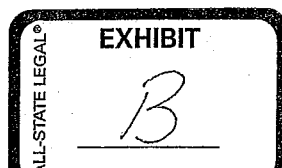
Resolved this seventh day of January, ~~2014~~ 2015

Cleona Borough Authority

By: Bryan O. Hoffman
Bryan Hoffman, Chairman

Attest:

Sue Bowman
Sue Bowman, Secretary

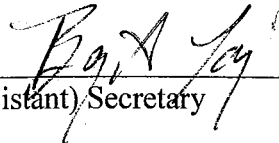


WWTP Insurance Revaluation: Mr. Yingst reported on a meeting he participated in the previous week with the Township's insurance agent. At this meeting it was noted that, since the WWTP improvements project is substantially complete, a revaluation of the WWTP property and equipment is necessary for insurance purposes. Mr. Yingst indicated this valuation had been provided in the past by Gannett Fleming and that the insurance agent recommended a similar valuation be provided again. Mr. Shope then explained how the revaluation process typically works. He also noted that it would be helpful for him to discuss this directly with the insurance agent and offered to meet with him at no cost to the Township before he presented a proposal to the Authority. The Authority then discussed whether a revaluation could be created by Township staff with assistance from Gannett Fleming in order to save money. Mr. Yingst noted that the insurance agent recommended the revaluation be performed by a firm like Gannett Fleming due to the technical nature of such a project and the need to value specific items so that the umbrella insurance policy remains in place. **MOTION** by Mr. Rooney, second by Mr. Ludwig to authorize Mr. Yingst to set up a meeting with Mr. Shope and the Township's insurance agent for the purpose of developing a proposal by Gannett Fleming for the revaluation of WWTP property and equipment, to be presented to the Authority for its review at a future Regular Meeting. Motion carried unanimously.

Natural Gas Pipeline Resolution: Mr. Yingst reported that the Board of Commissioners is considering adopting a resolution pertaining to the Williams Partners, LP Atlantic Sunrise Natural Gas Pipeline at its February 2, 2015 Regular Meeting. He provided the members of the Authority with copies of the draft resolution, noting that it requested of the Federal Energy Regulatory Commission that the pipeline avoid the property of the WWTP and that engineering and construction best practices be employed to ensure the protection of WWTP infrastructure if the pipeline is placed near to it. Mr. Yingst then provided the Authority with a summary of the events that led the Board of Commissioners to consider adopting such a resolution, and Chairperson Perrotto thanked Township staff for its continued efforts to protect WWTP infrastructure.

MOTION by Mr. Seward, 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. Ludwig, second by Mr. Seward to adjourn the meeting. Motion carried unanimously and the Regular Meeting was adjourned at 6:04 PM.



(Assistant) Secretary