

**MINUTES OF THE ANNVILLE
TOWNSHIP AUTHORITY
February 24, 2015**

The February Regular Monthly Meeting of the Annville Township Authority was held starting at 5:30 PM on February 24, 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 January 27, 2015 as presented. Motion carried unanimously.

SEWER FUND REPORT: The Authority reviewed the Sewer Fund Report for the period ending January 31, 2015. Mr. Yingst noted that the revenue for the Sewer Rentals account was at 8.4% of the budgeted amount, which was right on pace with what would be expected through one month of receipts.

ACCOUNTS PAYABLE: The Accounts Payable list for February 2015 was reviewed. **MOTION** by Mr. Ludwig, second by Mr. Seward 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 January 23, 2015 in the amount of \$2,215.78. **MOTION** by Chairperson Perrotto, second by Mr. Rooney 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 \$2,215.78. Motion carried unanimously.

Escrow: Mr. Yingst reported he has been in contact with the Lebanon County Planning Department and the County Engineer over the past several weeks to request an inspection pertaining to the release of more than \$483,000 being held in escrow for the WWTP improvements project. The County Engineer indicated that the site needed adequate grass coverage for the inspection and, after conferring with Mr. Powell, Mr. Yingst indicated he would contact the County Engineer during the first week of April to see if an inspection could be scheduled. Mr. Yingst also reported he had a conversation with a representative of the Lebanon

County Conservation District (LCCD) and that the LCCD would be conducting a site inspection at the WWTP once the snow melts and will issue a Notice of Termination to close the project out if the inspection is satisfactory, which is expected based upon an earlier LCCD inspection.

Aboveground Piping: Mr. Shope reported that the necessary materials for the aboveground piping work should be delivered in the next few weeks and Mr. Powell noted the actual construction will likely begin in mid-April.

SUPERINTENDENT'S REPORT: Mr. Powell reported that the WWTP is operating very well, noting that the cold temperatures have led to several instances of broken pipes that have been repaired by Public Works staff. He then 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:

Surcharges: Mr. Powell briefly reviewed the February water sample numbers for the UCC Home and Mr. Yingst noted that the surcharge amount would be applied to this customer's April 1 bill.

First Stage Blower Valve Control Boards: Mr. Powell provided an update on the status of the damaged control boards for two of the first stage blower valves and presented a proposal for \$2,710 from North East Technical Sales, Inc. for the installation of replacement boards. Chairperson Perrotto asked if the Authority had any recourse against the company that supplied the damaged boards (JC Controls, Inc.) and it was noted that North East had purchased that supplier. Mr. Sheffey inquired if there was a warranty from that original supplier and Mr. Shope indicated there was. Mr. Powell noted that an individual who worked for the original supplier now works for North East but blames the damage to the boards on high voltage issues and not faulty manufacturing or installation. Mr. Ludwig asked if there was a startup report available for the boards. Mr. Shope indicated he has been looking for a report and had not located it as of yet; he also noted that he did not believe the damage was caused by high voltage and explained his rationale for this. Mr. Rooney inquired if there was another route not including North East that could be pursued and Mr. Powell indicated he did not think there was. Mr. Sheffey asked about the timing of the warranty and Mr. Powell noted that the sticking point was the period of time between when the boards were installed and when the boards actually began operating due to other issues with the WWTP improvements project. Mr. Powell then recommended that he discuss this situation further with John Dezzi from North East and Mr. Shope agreed to apply some pressure on North East, as well. Mr. Sheffey also expressed his concern about North East's apparent unwillingness to abide by the warranty and asked that this be communicated to Mr. Dezzi. Chairperson Perrotto asked if delaying action on replacing the control boards would not cause any issues to the plant and Mr. Powell indicated that it would not, explaining how the WWTP has been operating without the benefit of these boards.

Use of Reed Beds by Lebanon City: Mr. Powell shared with the Authority a conversation he recently had with Robin Getz of the Lebanon City Public Works Department. Ms. Getz contacted him and indicated that the City is cleaning out its storm sewer catch basins as part of its MS4 compliance measures. She informed him that the Greater Lebanon Refuse Authority landfill would not accept any contents of the catch basins that contained liquid and the City does

not have a place for these contents to dry. To that end, Ms. Getz asked Mr. Powell if the Authority would be willing to allow the City to dry these catch basin contents on the WWTP reed beds, with the City paying for the cleaning of the reed beds and the disposal of all materials on them at the landfill. As there are already materials drying on the reed beds, Mr. Powell noted that there would be financial benefit for the Authority to consider this proposal. Mr. Shope expressed his concern that the contents from the City catch basins should not be mixed with any materials to be applied to fields and Mr. Powell indicated that all materials currently on the reed beds would be disposed of at the landfill. Mr. Sheffey asked if this is the first year that Lebanon City made such a proposal to Mr. Powell, noting that he would have expected the City to work with the City of Lebanon Authority for a project of this nature. Mr. Powell indicated this was the first time he was approached about this. He also noted his belief that the City of Lebanon Authority no longer had reed beds due to its own WWTP improvements project and he surmised that perhaps that was why Lebanon City was reaching out to him. Mr. Sheffey provided a brief history of the relationship between Lebanon City and the City of Lebanon Authority and expressed his concern that the Annville Township Authority not embroil itself in a controversy between the two if, that in fact, was the case here. Mr. Powell agreed to look into this by contacting Jon Beers of the City of Lebanon Authority. Mr. Rooney also asked for clarification if this was to be a one-time event or ongoing and Mr. Powell noted that it would be the latter. **MOTION** by Mr. Rooney, second by Mr. Ludwig to authorize Mr. Powell to further investigate with the necessary entities the details of the reed bed proposal made by Lebanon City and to report back to the Authority with any additional information. Motion carried unanimously.

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

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 reported that he has reviewed the recent payment history on these accounts and noted that since November a significant portion of each month's payment has been in excess of the minimum amount owed for sewer and trash for that month. As a result, Mr. Sheffey noted that over the course of those four months more than \$1,900 is applicable to the lien and would satisfy the balance of the interest. He noted that he will be discussing with Mr. Yingst how future excess payments should be applied to the lien and recommended that, as long as BSW Holdings continues to make excess payments each month, the Authority should allow BSW Holdings to do so instead of requiring a formal payment arrangement. The members of the Authority concurred with this recommendation.

Legal Actions Against Significantly Delinquent Customers: Mr. Sheffey provided brief updates on several liens for unpaid sewer and trash fees. He reported that the lien on the property at 807 East Walnut Street has been satisfied in full and the lien on the property at 113 South King Street has reached a point in the process at which attorney's fees may be assessed. Mr. Sheffey also reported he was contacted by a financial agency representing the property owner of 524 West Queen Street expressing the belief that this lien has been satisfied. Mr. Sheffey indicated he will review the status of this lien with the Township Office and proceed accordingly. He concluded by noting that there have been no changes to the liens filed on the properties at 226 West Main Street, 225 West Queen Street, and 125 North Railroad Street.

ENGINEER'S REPORT: Mr. Shope informed the Authority of the following items:

WWTP Insurance Revaluation: Mr. Shope reported that he met earlier in the month with Mr. Powell, Mr. Yingst, and Doug Barry, the Township's insurance agent, regarding the need to conduct a revaluation of the WWTP's property and equipment for insurance purposes now that the improvements project is nearly complete. He then presented a proposal for Gannett Fleming to provide this revaluation service for the Authority. **MOTION** by Mr. Rooney, second by Mr. Myers to recommend to the Board of Commissioners to authorize Gannett Fleming to prepare a revaluation of the property and equipment of the WWTP for insurance purposes at a cost not to exceed \$5,800. Motion carried unanimously.

NPDES Permit: Mr. Shope reported that discrepancies between the requirements mandated by Federal and State enforcement agencies have held up the issuance of NPDES permits, including the permit for the WWTP, despite the timely filing of an application for this permit. However, he noted that the current NPDES permit will remain in force until the new permit is issued.

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

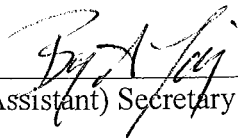
Delinquent Report: Mr. Yingst reviewed the delinquent report and informed the Authority of the measures taken by the Township Office over the past month to collect on delinquent accounts. He noted that since the January 27, 2015 Authority meeting 24 accounts were posted for shutoff; this was comprised of eight customers who were under a payment contract but had not paid and 16 customers not on a payment contract with the Township. Mr. Yingst also reported that over the past four weeks more than \$7,000 had been received from significantly past-due customers, including \$1,500 from BSW Holdings.

2015 Delinquent Customers Policy: Mr. Yingst noted that, due to anticipated warmer temperatures, the Township Office will soon be able to shut off water service for nonpayment of sewer and trash fees. To that end, he requested that the 2014 delinquent policy remain in effect for 2015, noting that this would authorize the Township Office to post delinquent accounts for water shutoff if the customer is \$500 or more in arrears or two or more quarters in arrears. **MOTION** by Chairperson Perrotto, second by Mr. Seward to authorize the Township Office to enforce the delinquent account collection policy as described above. Motion carried unanimously.

Natural Gas Pipeline Resolution: Mr. Yingst reported that the Board of Commissioners adopted the resolution pertaining to the Williams Partners, LP Atlantic Sunrise Natural Gas Pipeline at its February 2, 2015 Regular Meeting. He noted the resolution was adopted in the form presented to the Authority on January 27, 2015 with the addition of language in Section 5 requesting the creation of an exclusionary zone surrounding the WWTP and related facilities that was recommended by a retired geophysicist during the Public Comment portion of the February 2 meeting.

MOTION by Mr. Ludwig, second by Mr. Seward 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. Seward, second by Mr. Rooney to adjourn the meeting. Motion carried unanimously and the Regular Meeting was adjourned at 5:59 PM.



(Assistant) Secretary