

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

The March Regular Monthly Meeting of the Annville Township Authority was held starting at 5:30 PM on March 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; and Leslie J. Powell, Superintendent of the Wastewater Treatment Plant (WWTP).

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; as no members of the public were in attendance, no public comments were noted.

**MINUTES: MOTION** by Mr. Ludwig, second by Mr. Seward to approve the minutes of the Regular Meeting held February 24, 2015 as presented. Motion carried unanimously.

**SEWER FUND REPORT:** The Authority reviewed the Sewer Fund Report for the period ending February 28, 2015, and it was noted that total budget-to-actual revenues and expenditures were in accordance with expectations through two months.

**ACCOUNTS PAYABLE:** The Accounts Payable list for March 2015 was reviewed. Chairperson Perrotto inquired about a payment to Hackman Fire Equipment and Mr. Powell indicated this cost pertained to the annual inspection of fire extinguishers at the WWTP. **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 February 20, 2015 in the amount of \$556.93. **MOTION** by Mr. Rooney, second by Mr. Myers to recommend to the Board of Commissioners for payment the list of invoices for the WWTP improvements project as presented in the total amount of \$556.93. Motion carried unanimously.

**Escrow:** Mr. Yingst reported that, as the snow has melted at the WWTP and grass anticipated to begin growing shortly, he contacted the County Engineer to request an inspection pertaining to the release of more than \$483,000 currently being held in escrow by Lebanon County for the WWTP improvements project. As these funds are not currently encumbered for any specific Authority projects, Mr. Yingst also suggested a possible use for the money upon its release by the County. He noted that the previous year the Township applied for an Act 101, Section 902

grant of \$250,000 from the Pennsylvania Department of Environmental Protection (DEP) for the purchase of a combination roll-off and leaf vacuum truck and roll-off containers. Mr. Yingst reported that the prior week he received official notification from DEP that the majority of the grant funds requested (approximately \$245,000) had been approved. He then explained how the grant operates, noting that it funds 90% of total anticipated costs (meaning that the total cost for the truck and containers is in excess of \$270,000) and the grant funds are received on a reimbursement basis. As a result, the Township needs to have sufficient cash on hand to purchase the truck and containers, and Mr. Yingst suggested that the escrow money could possibly be used to fund this project until the grant funds are received by the Township. He also noted that, if it wished, the Authority could consider charging the Township a nominal interest rate for loaning these funds to it, adding that the funds would likely be paid back to the Authority from the Township within 12 to 24 months of the loan commencing. Mr. Rooney expressed his opinion that loaning money from one Township entity to another seemed preferable to outside financing, and suggested that perhaps the Authority should consider doing so without charging the Township interest. Mr. Ludwig agreed and asked Mr. Sheffey if an agreement was necessary if interest was not charged. Mr. Sheffey indicated that he thought a clear motion in the minutes expressing the offer of the Authority would be adequate in place of a formal agreement. **MOTION** by Mr. Rooney, second by Mr. Seward to authorize providing the Township with a no-interest loan for the reimbursable portion of Act 101, Section 902 grant monies in the amount of \$245,253 for the purchase of a combination roll-off and leaf vacuum truck and roll-off containers, with this loan to be funded from the WWTP improvements project escrow funds. Motion carried unanimously.

**Aboveground Piping:** Mr. Powell reported that SWF was onsite two weeks prior to do measuring in advance of the installation of the aboveground piping. He also noted that he believed the project start date was still on pace for some time in mid-April.

**SUPERINTENDENT'S REPORT:** Mr. Powell reported that the WWTP is operating well. Upon review of the monthly WWTP report, Mr. Rooney noted that the nitrogen numbers were significantly higher than had been the case through February 2014. Mr. Powell explained that he has been closely monitoring the nitrogen numbers and is allowing it to run higher so as to conserve methanol, and noted his belief that the nitrogen at year-end would still be below the annual permitted limit.

Rex A. Moore, Township Commissioner, arrived at the meeting at 5:41 PM.

With no further questions noted regarding the monthly WWTP report, Mr. Powell 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 Annville-Cleona High School and the March water sample numbers for the Batdorf Restaurant and the Corvette Bar and Grille. He recommended that, as the Batdorf did not provide a water meter reading specific to discharges from its kitchen, the total water meter reading should be used by the Township Office when calculating its surcharge on its next bill. Mr. Powell also noted that

## ***ANNVILLE TOWNSHIP WASTEWATER TREATMENT PLANT***

---

### **STATUS OF PENDING PROJECTS**

**March, 20 2015**

- (1) **SURCHARGE**                      Sampled ACHS, Batdorf, and Corvette results attached.
- (2) **HAULING**                      Did not haul this month.
- (3) **PLANT WORK**                      I would like to repair 1st stage actuator computer boards at a cost of \$2,710. SWF was here to go over air piping should start around mid-April. We took # 3 blower out of service and got it ready for air piping to be attached.
- (4) **LAB ACCREDITATION**                      I will need a check for \$1,250 for license for lab.
- (5) **FLUSHING**                      We are going to start Flushing lines again since the weather should be improving.
- (6) **INTERCEPTOR LINE**                      We will be walking line to make sure all lids are secure and no debris are on right-of -way before it greens up.

Respectfully Submitted,  
Les Powell Chief Operator

the oil and grease numbers for the Batdorf and the Corvette would be provided to the Township Office in the next week or two for inclusion in their next sewer bill, if necessary.

**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 replacement and installation of replacement boards. He briefly recounted the warranty issues with these control boards and requested that the Authority approve the presented proposal. It was also noted that Dale Shope, Authority Engineer, had commented on this situation in an email dated March 23, 2015 and concurred with Mr. Powell's recommendation, while indicating that North East Technical Sales may be able to reduce the cost of installation quoted on the proposal. Citing the need to have these damaged control boards replaced, **MOTION** by Mr. Seward, second by Mr. Myers to recommend to the Board of Commissioners for payment to North East Technical Sales, Inc. an amount not to exceed \$2,710 for the replacement and installation of control boards for the first stage blowers. Motion carried unanimously.

**Laboratory Accreditation:** At the request of Mr. Powell, **MOTION** by Chairperson Perrotto, second by Mr. Ludwig to recommend to the Board of Commissioners for payment to the Commonwealth of Pennsylvania \$1,250 for a laboratory accreditation license. Motion carried unanimously.

**Reed Bed Usage Proposal by Lebanon City:** Mr. Powell provided an update on the proposed use of reed beds at the WWTP for drying out the contents of Lebanon City storm sewer catch basins. He reported that he contacted Jon Beers of the City of Lebanon Authority and learned it was not providing this service to Lebanon City because it no longer has reed beds. Mr. Powell also noted he is waiting to hear back from Robin Getz of the Lebanon City Public Works Department to see if the City is still interested in pursuing this cooperation with the Township Authority and she is expected to get back to him on this shortly.

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

**Legal Actions Against Significantly Delinquent Customers:** Mr. Sheffey provided brief updates on several liens for unpaid sewer and trash fees. He reported that he was contacted by an investor interested in purchasing 113 South King Street; Mr. Sheffey noted that, upon the sale of this property, the Authority would recover the full amount of the lien on it, including both the balance of unpaid sewer and trash fees and any legal and attorney's fees associated with the lien. He also reported that the bankruptcy proceeding for the owner of the property at 125 North Railroad Street, which also has a lien against it, is now concluded. While noting that the owner is now filing for Chapter 7 bankruptcy instead of Chapter 13 bankruptcy, Mr. Sheffey stated that there are no actions to be taken currently regarding this and that the Authority will be paid for the amount of the lien upon the sale of the property.

**Status of Municipal Liens Against the Property at 524 West Queen Street:** Mr. Sheffey provided a brief overview of the liens against the property at 524 West Queen Street, as well as the payment history of the property owner for sewer and trash fees. He reported that he was contacted by an attorney with Mid Penn Legal Services asking if the liens had been satisfied.

Pursuant to this, Mr. Sheffey asked the Authority how it wished for him to respond. He indicated that the property owner had liens going back to 2007 and since that point had established a pattern of trying to make payments, although not always being able to do so on a regular basis or at the required amount. Mr. Sheffey also noted that the interest amount on the lien could be cumbersome to calculate due to the infrequent pattern of payment. Consequently, he asked the Authority if it would be appropriate to propose waiving the interest on the liens if the property owner stayed current on sewer and trash payments for the next 12 months and waiving the legal and attorney's fees on the liens if he stayed current for the next 24 months. The Authority then discussed this situation and Mr. Sheffey's proposal in detail. Chairperson Perrotto inquired as to the total amount of attorney's fees on the liens thus far and Mr. Sheffey estimated this to be \$500. Chairperson Perrotto then asked if making such a proposal would set a precedent for other delinquent customers and Mr. Sheffey responded that he did not think it would as the Authority typically considered all significantly delinquent customers on a case-by-case basis. Mr. Rooney suggested that the waiver of any interest or fees should only occur after the property owner has satisfied his part of the proposal and Mr. Sheffey agreed that is how it would be presented. Citing the property owner's payment history, Mr. Myers noted that ultimately the interest calculations may have to be done, and Mr. Sheffey agreed that was certainly a possibility. Mr. Ludwig stated that he was comfortable with the proposal as long as a precedent was not set. Chairperson Perrotto asked if it would be beneficial to offer only the waiver of interest at first and to offer the waiver of legal and attorney's fees after the property owner stayed current on payments for one year, and Mr. Sheffey recommended that it was more straightforward to present both offers of the proposal simultaneously. **MOTION** by Mr. Rooney, second by Mr. Ludwig to authorize Mr. Sheffey to respond to the inquiry by Mid Penn Legal Services pertaining to the liens against the property at 524 West Queen Street by proposing to waive the interest on the liens if the property owner makes current payments for sewer and trash fees for the next 12 months and to waive the legal and attorney's fees on the liens if the property owner makes current payments for sewer and trash fees for the next 24 months. Motion carried unanimously.

**Status of Municipal Lien Against Properties Owned by BSW Holdings:** Mr. Sheffey provided an update on the status of the lien for unpaid sewer and trash fees against properties owned by BSW Holdings. He reported that BSW Holdings continues to make \$1,500 payments each month, and this has resulted in all interest on the lien having been paid. With that in mind, Mr. Sheffey asked how the Authority wished to have future payments applied. He noted that payments could be first applied to the principal of the lien, thereby reducing interest incurred going forward, or could instead be first applied to legal and attorney's fees on the lien. The members of the Authority discussed this briefly and were in agreement that future payments should first be applied to the principal of the lien before being applied to legal and attorney's fees, and Mr. Sheffey indicated that he would inform BSW Holdings accordingly.

**ENGINEER'S REPORT:** The Authority was informed of the following item:

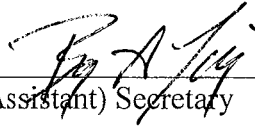
**WWTP Insurance Revaluation:** Chairperson Perrotto noted that an email was received from Mr. Shope indicating that the Township Office should receive a final draft of the insurance replacement cost revaluation by the end of the week.

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

**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 February 24, 2015 Authority meeting 22 accounts were posted for shutoff; this was comprised of eight customers who were under a payment contract but had not paid and 14 customers not under a payment contract with the Township. Mr. Yingst also reported that over the past four weeks more than \$11,400 had been received from significantly past-due customers, including \$1,500 from BSW Holdings, \$1,800 from the Allen Theatre, and payoff of the lien for the property at 226 West Main Street for \$1,042.68.

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

  
\_\_\_\_\_  
(Assistant) Secretary