

**MINUTES OF THE ANNVILLE
TOWNSHIP AUTHORITY
July 28, 2015**

The July Regular Monthly Meeting of the Annville Township Authority was held starting at 5:30 PM on July 28, 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; 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); Dale Shope, Engineer with Gannett Fleming; and Michael Beare, Corvette Grille.

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.

Louis Rotunda of the Batdorf Restaurant joined the meeting at 5:31 PM and Rex Moore, Township Commissioner, joined the meeting at 5:43 PM.

PUBLIC COMMENT: Noting that Michael Beare of the Corvette Grille was listed on the agenda and was in attendance, Chairperson Perrotto asked him to share his comments with the Board. Mr. Beare indicated that the surcharge the Corvette Grille was assessed on its July 1, 2015 sewer bill was greater than the base sewer charge without the surcharge. He stated that he was unaware of how significantly he was exceeding the Township's limitations on Total Suspended Solids (TSS), Biochemical Oxygen Demand (BOD), and Fats, Oils, and Grease (FOG), as he had not been apprised of the results from semiannual water samplings since Mr. Powell initially met with him in 2013 to discuss the potential for the assessing of a surcharge. Mr. Beare indicated that he would have replaced his grease trap had he been apprised that a surcharge would be applied to this bill and had he known of the excessive numbers from past water samplings. To that end, he asked the Township to waive the surcharge on his July 1 bill and he indicated he would use the savings to purchase a new grease trap. The Authority then discussed Mr. Beare's request in detail. Mr. Yingst indicated that there were three components comprising the total surcharge on the Corvette Grille's sewer bill: (1) the amount pertaining to Total Suspended Solids (TSS) and Biochemical Oxygen Demand (BOD) in excess of the allowable Township limits, equaling \$132.86; (2) the amount pertaining to Fats, Oils, and Grease (FOG) in excess of the allowable Township limits, equaling \$365.00; and (3) the flat fee for sampling and testing charged to a customer exceeding the allowable Township limits for TSS, BOD, or FOG, equaling \$250.00. Mr. Yingst noted that the smallest of these three surcharge components, pertaining to TSS and BOD, has been assessed to the Corvette Grille in the past. He further noted that the other two surcharge components had not been charged to the Corvette Grille, or to any other customers, prior to the June 1, 2015 bill, as these were charges associated with recently adopted ordinances. Mr. Beare and Mr. Yingst then discussed the timing of the sampling in relation to the period covered by the bill, with the latter noting that these new components of the surcharge were not assessed until after those customers being sampled were notified of these new charges by letter of April 30, 2015, and further observing that the date of the sampling that resulted in the surcharge on the Corvette Grille's July 1 bill took place on June 10, 2015. Chairperson Perrotto asked if those customers who were being sampled were being notified of the sampling results. Mr. Yingst indicated that at present this information is not being provided to customers from the Township Office. Mr. Powell indicated that he meets periodically with some of these customers, especially those who are not yet receiving surcharges,

to share this information with them prior to the assessing of a surcharge. He also noted that he emails this information to customers receiving a surcharge for which he has an email address, but other customers for which he does not have an email address do not receive this information by mail, although he shares it with them if they ask for it. The Authority asked if this information could be provided to the customer with the quarterly sewer bill. Mr. Yingst indicated that because the bills are mailed at a postcard rate, any mailing providing information on sampling results would have to be done separately. He further noted that while the bills have a line labeled "Surcharge" indicating same, this only provides information on the charge specific to a surcharge and not the specific water sample numbers that result in a surcharge. Mr. Ludwig shared his thoughts that if Mr. Beare did not have an idea as to the results of the samplings, it would be difficult to expect him to take appropriate corrective measures. Chairperson Perrotto agreed, and suggested that these results need to be sent via mail to all customers being sampled. The other members of the Authority concurred with this suggestion. Chairperson Perrotto then asked Louis Rotunda of the Batdorf Restaurant if he was present to express concerns similar to those shared by Mr. Beare. He indicated that he was, and the Authority briefly discussed those concerns with him. Chairperson Perrotto then made a recommendation pertaining to the concerns expressed by Mr. Beare and Mr. Rotunda. Noting that a surcharge for TSS and BOD had been assessed to both customers in the past, he indicated that this surcharge is one they were previously aware of and he suggested that this amount remain on the July 1 bill. Further, Chairperson Perrotto noted that these customers were notified of the flat fee for sampling and testing if the Township limits were exceeded and, as this represents the recouping of the Authority's costs for these items, he suggested that this amount should also remain on the July 1 bill. However, as there was a lapse in communication regarding the FOG sampling numbers in advance of this portion of the surcharge being assessed, he suggested that this portion of the surcharge be waived for the bills affected by this sampling upon proof being furnished to Mr. Powell that a new grease trap has been installed. Chairperson Perrotto asked Mr. Beare if he was amenable to this recommendation and he indicated that he was. Chairperson Perrotto asked Mr. Rotunda if he was amenable to this recommendation and he indicated that he was not sure a new grease trap would help. Mr. Yingst then reviewed the water sampling results for the Batdorf Restaurant with both the Authority and Mr. Rotunda, noting that high TSS and BOD numbers have been its primary problem over the past year and that these numbers are significantly higher than any FOG overages. The Authority then discussed various housekeeping measures in depth with Mr. Rotunda, specifically Mr. Ludwig's recommendation that the line from the dishwasher should not be run through the grease trap. Mr. Powell also noted that one reason the Batdorf Restaurant's numbers were high was because although the restaurant installed a water meter specific to the kitchen area, Mr. Rotunda had not provided readings from this designated meter to the Township Office for the purpose of calculating the surcharge as he had been instructed to do. As a result, the surcharges have been calculated based on the meter reading for the entire facility. With no further discussion noted, **MOTION** by Mr. Rooney, second by Mr. Ludwig to waive the \$365.00 portion of the surcharge pertaining to FOG on the July 1, 2015 sewer bill for the Corvette Grill, as well as the FOG portion of the surcharge on any future sewer bill where the surcharge is calculated based upon the water sample taken on June 10, 2015, upon Mr. Beare providing proof to Mr. Powell that a new grease trap has been installed at the restaurant. Motion carried unanimously.

No further public comments were noted and Mr. Beare and Mr. Rotunda left the meeting at 5:51 PM.

MINUTES: MOTION by Mr. Seward, second by Mr. Ludwig to approve the minutes of the Regular Meeting held June 23, 2015 as presented. Motion carried unanimously.

SEWER FUND REPORT: The Authority reviewed the Sewer Fund Report for the period ending June 30, 2015. Chairperson Perrotto reminded the Authority that, as was discussed at the prior month's meeting, the lower-than-anticipated septage revenues in the Treatment Fees account that the Authority has been monitoring on a monthly basis will be reviewed as part of the 2016 budget preparation process.

ACCOUNTS PAYABLE: The Accounts Payable list for July 2015 was reviewed. **MOTION** by Mr. Seward, second by Mr. Ludwig 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 PROJECT - 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 June 26, 2015 in the amount of \$526.74. **MOTION** by Mr. Ludwig, second by Mr. Rooney 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 \$526.74. Motion carried unanimously.

SUPERINTENDENT'S REPORT: Mr. Powell reported that the WWTP is operating well. He briefly reviewed the monthly septage intake numbers from the June Monthly Report, noting that the increase is primarily due to over 200,000 gallons of leachate received from the Greater Lebanon Refuse Authority (GLRA). While he indicated the plant took this leachate as part of its renewed focus on increasing Treatment Fees revenues, he noted that this specific intake from the GLRA—and the more than \$7,000 in income it generated—should not be viewed as a routine or recurring occurrence. 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 reviewed the July water sample numbers for Lebanon Valley College, Napoli's Pizza, and Hoss's Steak and Sea House.

Henri Lively, Township Commissioner, joined the meeting at 6:01 PM.

First Stage Blower Valve Control Boards: Mr. Powell provided a brief update on the status of the continuing issues associated with the damaged control boards for the first stage blower valves. He indicated that a representative from North East Technical Sales, Inc. was onsite in the last month to look at the problem and he iterated to the representative that the Authority would not be paying any bills for parts and installation associated with the damaged control boards until said control boards were functioning properly.

Permitting for the GLRA West Farm: Mr. Powell presented a proposal received from Materials Matters, Inc. for professional services associated with obtaining a submittal package for the permitting of the GLRA West Farm for the application of biosolids. The Authority then discussed this proposal in detail. During this discussion, Mr. Powell noted that having additional properties available for these applications frees up more space at the plant for taking both septage and biosolids, which results in higher Treatment Fees revenues. Mr. Rooney asked if it was necessary for a field such as the GLRA West Farm to be permitted again if it was already permitted, and Mr. Shope indicated why he believed this re-permitting was required by the Pennsylvania Department of Environmental Protection (DEP). The Authority asked about the potential cost if the submittal package was denied by the DEP. Mr. Powell indicated that much, if not all, of the \$9,400 quoted in the proposal would probably still be expensed, but Mr. Ludwig noted that if the permitting was required, the Authority had no choice but to pursue a permit if it wished to apply biosolids to additional fields. Mr. Powell also indicated that the proposal addressed the possibility of \$2,500 in additional expenses should a stream crossing permit be necessary from DEP for accessing this property; however, it was noted that this portion of the proposal could be considered at a later date, if deemed to be necessary. With no further discussion noted, **MOTION** by Mr. Rooney, second by Chairperson Perrotto to accept the proposal received from Material Matters, Inc. for the necessary permitting for application of biosolids at the GLRA West Farm, to authorize its execution by the appropriate members of the Authority, and to recommend to the Board of Commissioners that it authorize the expenditure of \$9,400 for this service. Motion carried unanimously.

Biosolids: Mr. Powell reported that the WWTP has been taking biosolids from Hollywood Casino. He noted that the plant has been charging the same rate for biosolids as it charges for septage, although the cost for treating the former is greater than the cost for treating the latter. Mr. Powell indicated that he researched the rates charged by the Manheim WWTP for treating biosolids and presented that information to the Authority, noting that he thought it would be appropriate for the Authority to charge the same rates. The Authority then reviewed this information in detail. Noting the different rates Manheim charges for different biosolid concentrations, Mr. Rooney asked if it made sense to prohibit the intake of biosolids in excess of a certain concentration, such as 5.5%, and Mr. Powell concurred. Mr. Rooney asked if there were any restrictions prohibiting the intake of certain concentrations at present, and Mr. Powell indicated he did not believe there was. Mr. Sheffey suggested that if the Authority wanted to limit this it could recommend to the Board of Commissioners that it adopt a policy to this effect. Chairperson Perrotto asked if Hollywood Casino was the only establishment from which the plant was taking biosolids at present and Mr. Powell confirmed this to be the case. Mr. Sheffey asked Mr. Powell what percentage he thought would be an appropriate biosolid concentration limit and Mr. Powell indicated he was comfortable with a limit of 5.5%. **MOTION** by Chairperson Perrotto, second by Mr. Ludwig to recommend to the Board of Commissioners that (1) biosolids with a concentration of 4.5% or lower will be charged at a treatment rate of \$0.045 per gallon, (2) biosolids with a concentration of greater than 4.5% and not exceeding 5.5% will be charged at a treatment rate of \$0.055 per gallon, and (3) biosolids with a concentration in excess of 5.5% will not be accepted for treatment. Motion carried unanimously.

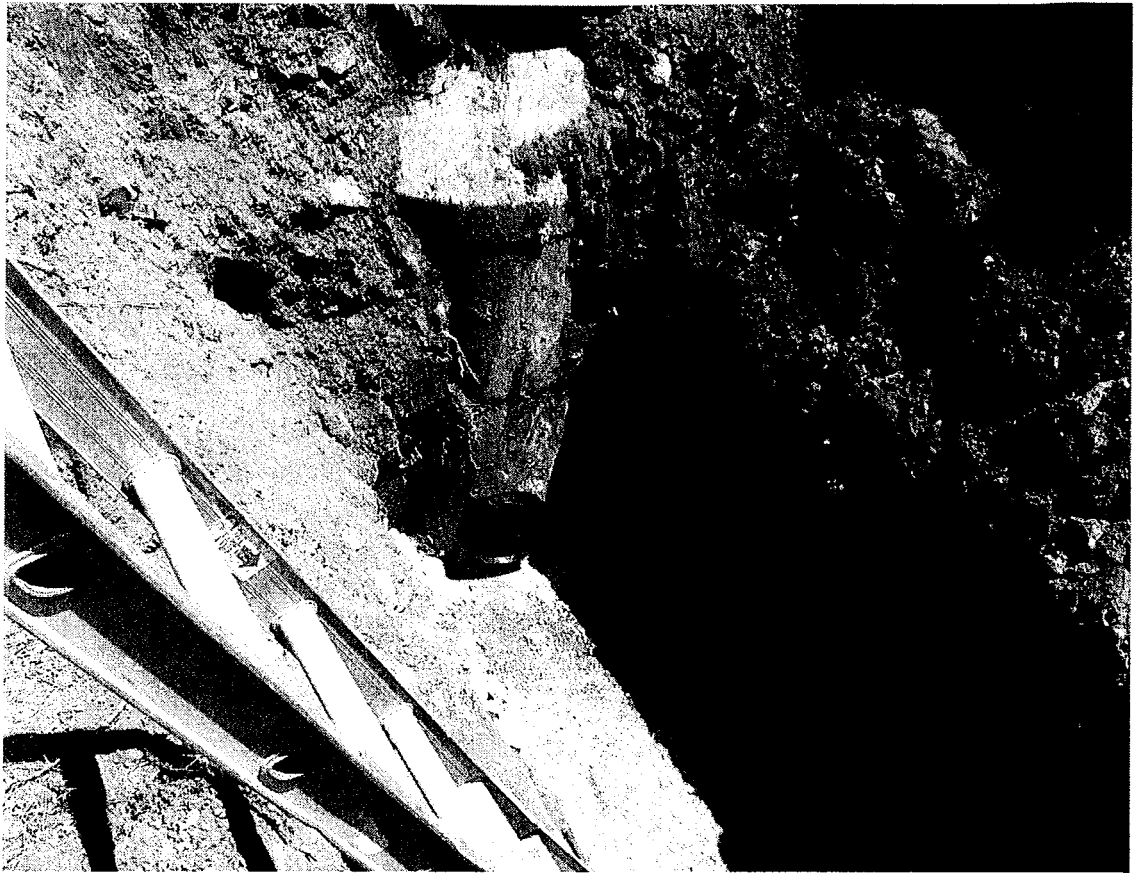
Operations and Management Workshop: Mr. Powell asked for permission to send two employees to an operations and management workshop in Grantville at a cost of \$240.

ANNVILLE TOWNSHIP WASTEWATER TREATMENT PLANT

STATUS OF PENDING PROJECTS

July 24, 2015

- (1) **SURCHARGE** LVC, Hoss's and Napolis
- (2) **HAULING** Hauled 0 loads.
- (3) **PLANT WORK** On July 15 John Dezzi from North East Tech here to go over valves. The West Tank SZ zone replaced the main board, worked for about 4 hrs. The East tank contact zone valve that was worked on back in May was not working. Found out the wires were hooked up wrong, worked for about 4 hrs. The SZ valve that has not been working was due to water getting in the motor. We replaced motor, working good. This is one of the motors they replaced earlier. I am still waiting to see what they are going to do next.
- (4) **SEPTAGE** I have attached pumping schedule from Lebanon County for the next couple of years.
- (5) **GLRA FARM** I would like to get the GLRA Farm permitted that is farmed by Jeff Bomgardner. This farm was previously used by Lebanon City but since their upgrade they no longer need it (see attachment for price from Material Matters).
- (6) **BIOSOLIDS** We take Biosolids from Hollywood Casino. At this time we are charging them the same rate as septic. I would like to increase that rate as follows. That way if we start taking more Biosolids we have a rate established. We talked to Derry and they take some on a very low volume and the price is very high. Manheim is charging the same rate as I am proposing.
4.5% solids and lower would be 4.5 cents/gallon
4.5% to 5.5% solids 5.5 cents/gallon
Anything above 5.5% solids would be 6.5 cents/gallon
- (7) **CLEAR SPRINGS CROSSING** The pipe has been stubbed into the MH behind plant. They have around 2500 ft to put in ground to connect the Weaver property to it.



- (8) **O & M WORKSHOP** I would like to send Chris Koehler and Joe Viozzi to an O & M Workshop at Grantville for the price of \$240

Respectfully Submitted,
Les Powell Chief Operator

MOTION by Mr. Ludwig, second by Mr. Seward to recommend to the Board of Commissioners that it authorize Christopher Koehler and Joseph Viozzi to attend an operations and management workshop in Grantville at a cost of \$240. Motion carried unanimously. The Authority then asked if it would be possible to separate educational and training costs into its own expense account in the future and Mr. Yingst indicated he would incorporate this change effective January 1, 2016.

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. Regarding the lien against the property at 146 West Main Street, Mr. Sheffey reported that while payment has been received by the Township for the majority of this lien, a small portion of the lien remains unpaid that must be paid before the lien may be satisfied. He noted that he contacted the bank handling this matter several times, most recently informing it that additional legal costs have accrued and will continue to accrue as he spends additional time working on this, and he shared with the Authority that this resulted in the bank informing him it has issued a check for the remaining amount of the lien, which should be received shortly. Regarding the lien against the property at 113 South King Street, Mr. Sheffey reported that full payment has been received and the lien will be satisfied. Finally, regarding the property at 225 West Queen Street, he reminded the Authority that a lien currently exists for this property in the amount of \$490.20, representing sewer fees through the end of 2010. Mr. Sheffey also indicated that additional unpaid sewer fees in the amount of \$559.26 were incurred for this property since 2010 that are not currently covered by a lien. While he noted he has been informed that the full delinquent amount owed for this property will be paid, he suggested that the Authority may want to consider placing a lien on the unpaid sewer fees that have accumulated since 2010 if payment is not received by the August meeting.

Deed of Easement and Dedication for Liberty Station Sanitary Sewer Facilities: Mr. Sheffey reported that he received a deed of easement and dedication of the Liberty Station sanitary sewer facilities to the Authority and a request from Liberty Station's developer that this document be approved and executed by the Authority. He indicated that upon his review of this document he noted there were some minor unresolved issues that he believes need to be addressed before the Authority should take action on it. Mr. Sheffey concluded by noting that he would be notifying the developer of Liberty Station about these unresolved issues and anticipates that he will be presenting this deed to the Authority for its consideration at a future meeting.

ENGINEER'S REPORT: Mr. Shope distributed the Annual Report for the WWTP to the members of the Authority and provided them with a brief overview of its contents. He also reported on the delivery that day to the Township of the "as built" drawings pertaining to the WWTP improvements project and additional related information.

CLERK'S 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 June 23, 2015 Authority meeting 11 accounts were posted for shutoff; this was comprised of four customers who were under a payment contract but had not paid, four customers not under a

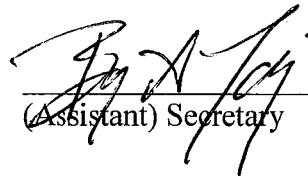
payment contract with the Township, and three landlord/tenant customers. Mr. Yingst also noted that over the past five weeks more than \$10,000 had been received from significantly past-due customers, including \$1,500 from BSW Holdings and more than \$2,400 pertaining to the lien against the property at 146 West Main Street. He concluded by requesting an Executive Session be held prior to the adjournment of the Regular Meeting.

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

RECESS FOR EXECUTIVE SESSION: Chairperson Perrotto called a recess for an Executive Session and the room was cleared of the public at 6:25 PM. The Regular Meeting was reconvened at 6:38 PM with the four members of the Authority, Administrator Yingst, Solicitor Sheffey, Mr. Powell, Mr. Shope, Mr. Moore, and Mr. Lively present.

Overcharging of Tapping Fees for Liberty Station: **MOTION** by Chairperson Perrotto, second by Mr. Ludwig to recommend to the Board of Commissioners that the Township contact the developer for Liberty Station to notify it of the overcharging of the collection component of tapping fees beginning in 2012 and to work out a repayment plan that both parties are amenable to. Motion carried unanimously.

There being no further business to come before the Authority, **MOTION** by Mr. Ludwig, second by Mr. Rooney to adjourn the meeting. Motion carried unanimously and the Regular Meeting was adjourned at 6:40 PM.


(Assistant) Secretary