

**MINUTES OF THE ANNVILLE
TOWNSHIP AUTHORITY
September 27, 2016**

The September Regular Monthly Meeting of the Annville Township Authority was held starting at 5:30 PM on September 27, 2016 in the Commissioners' Room of Annville Town Hall, 36 North Lancaster Street, Annville, PA with the following members present: Hugh Rooney, Chairperson; Barry Ludwig, Vice Chairperson; David Myers, Secretary; Keith Seward, Treasurer; and Anthony Perrotto, 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, Office of the Township Solicitor; and Michael Mehaffey, Engineer with Gannett Fleming.

Chairperson Rooney 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 Rooney provided an opportunity for public comment and no public comments were noted.

MINUTES: MOTION by Mr. Perrotto second by Mr. Seward to approve the minutes of the Regular Meeting held August 23, 2016 as presented. Motion carried unanimously.

SEWER FUND REPORT: The Authority reviewed the Sewer Fund Report for the period ending August 31, 2016. Mr. Ludwig noted the slight budget overage in the "Sewers – Repair and Maintenance" account and Mr. Powell indicated he did not expect further expenses for this account in 2016.

ACCOUNTS PAYABLE: The Accounts Payable list for September 2016 was reviewed. Chairperson Rooney inquired about the large amount of Check No. 10995 to Dourte Electric, Inc. and Mr. Powell indicated this was for repairs necessitated by significant electrical damage incurred as a result of a recent lightning strike. He further noted that the storm took out a couple of meters and required the replacement of some surge protectors, which by and large functioned as they were intended to. Mr. Perrotto inquired about Check No. 11011 to The Sage Corporation and Mr. Powell indicated this pertained to training school costs for a Commercial Driver's License (CDL) for an employee. With no further discussion noted, **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.

SUPERINTENDENT'S REPORT: Mr. Powell reported that the WWTP is operating very well. He began by reviewing the Monthly Report, noting the Total Nitrogen (TN) and Total Phosphorus (TP) numbers would be within the required levels as the permit year draws to a close. He also noted that the gallons and revenues received from septic haulers continued to outpace the corresponding numbers from 2015. 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 addressed:

Surcharges: Mr. Powell discussed the results of the latest samplings for the Batdorf Restaurant, Corvette Grille, J&S Pizza, Just Wing It, Salsa's Mexican Grille, and Giorgio's Ristorante. At the urging of Chairperson Rooney there was in depth discussion on the testing charge for

ANNVILLE TWP. WASTEWATER TREATMENT PLANT

STATUS OF PENDING PROJECTS

September 21, 2016

- (1) **SURCHARGE** Attached are the results for the Corvette & Batdorf.
- (2) **HAULING** Hauled 126 loads 478,800 gals. to Heilbronn Farm.
- (3) **PLANT WORK** On Aug 25 we got hit by lightning which took out some 4-20 ma boards around plant. It also took out the surge protectors in some of the control buildings and one of the first stage blower motors. We got everything repaired but the blower motor. We have two spares and I am waiting on a price.
- (4) **CHEMICAL BIDS** I would like to advertise for the following chemicals for 2017, Ferrous Sulfate and Methanol.
- (5) **HAULERS** I would like to increase the rates of 4 of the haulers to bring them in line with the other waste haulers, Charlies Septic, Collins, Litzenberger and Walters.

Respectfully Submitted,
Les Powell Chief Operator

businesses and institutions on which a surcharge is assessed, including what comprised this amount, the reason this charge was instituted, and the limitations for various levels of discharges subject to a surcharge as set by Township ordinance. At Chairperson Rooney's request it was agreed to discuss this further at the next month's Regular Meeting.

Bids for Ferrous Sulfate and Methanol: Mr. Powell requested that the Township advertise for bids for both ferrous sulfate and methanol for the WWTP for 2017. **MOTION** by Chairperson Rooney, second by Mr. Seward to recommend to the Board of Commissioners to advertise for bids for ferrous sulfate and methanol for the WWTP for 2017. Motion carried unanimously.

Revision to Septage Treatment Rates: Noting Mr. Powell's incremental efforts to ensure that long standing septic haulers are charged the same treatment rates as new haulers, **MOTION** by Chairperson Rooney, second by Mr. Ludwig to recommend to the Board of Commissioners to increase the septage treatment rates charged to Charlie's Septic, Collins Trucking, Litzenberger's Septic, and Walters Environmental Services from \$32 to \$34 per 1,000 gallons treated. Motion carried unanimously.

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

Legal Actions Against Significantly Delinquent Customers: Mr. Lamoureux provided brief updates on several liens for unpaid sewer and trash fees:

BSW Holdings: Regarding the lien against the properties on North King Street and West Church Street that are owned by BSW Holdings, Mr. Lamoureux reported that with the latest monthly payment from BSW Holdings the principal balance of this lien is now below \$1,100.

117 North Lancaster Street: Mr. Lamoureux reported that one of the properties listed for the September 12, 2016 tax sale that did not sell—specifically the Brandt property at 117 North Lancaster Street—has a significant delinquent sewer and trash balance and currently appears to be vacant. To that end he reported that, in accordance with the Authority's motion from the August Regular Meeting, the Solicitor's Office has started the process for filing a lien against this property and a demand letter was issued earlier in the month to both the executor of the estate and its attorney.

Second Addendum to Intermunicipal Agreement with North Annville Township: Mr. Lamoureux reminded the Authority that North Annville Township had requested an additional flow of 1,250 gallons per day to the WWTP originating from Hill Farm Estates. He further reminded the Authority this would require approval for a Second Addendum to the Intermunicipal Agreement to Provide and to Receive Public Sanitary Sewer Service with North Annville Township, which is the agreement governing the amount of flow into the WWTP from that municipality. Mr. Lamoureux then noted that North Annville Township had requested an additional 1,000 gallons per day over and above its original request of 1,250 gallons per day, although it was not yet clear whether this would include residential properties and whether this flow would originate from the service area defined by the agreement. There then followed a discussion about which entities were included in the current allowable flow from North Annville Township per the present version of the intermunicipal agreement. With no further discussion

noted, **MOTION** by Mr. Myers, second by Mr. Perrotto to approve the preparation of and to authorize the execution of a Second Addendum for up to 2,250 gallons per day of additional flow to the WWTP from North Annville Township contingent upon receiving the necessary information from North Annville Township including, but not limited to, clarification of the amount of flow, location from which the flow is originating, and completion of all necessary Agreements for Professional Services. Motion carried unanimously.

Recess for Executive Session: Chairperson Rooney called a recess for an Executive Session to discuss potential litigation and the room was cleared of the public at 6:03 PM. The Regular Meeting was reconvened at 6:15 PM with the five members of the Authority, Mr. Yingst, Mr. Powell, Mr. Lamoureux, and Mr. Mehaffey present.

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

PENNVEST Nutrient Credit Request Letter: Mr. Mehaffey reported a letter was received from PENNVEST indicating it has reviewed the Township's request to amend the current funding agreement by entitling Annville Township to generate proceeds of 50% on any nutrient credits sold and it has consented to doing so. The letter further noted a revised agreement would apparently be forthcoming.

Sewage Planning Exemption for Lebanon Valley College (LVC) Arnold Health Professions Pavilion: Mr. Mehaffey discussed a request received for an Exemption to Sewage Planning for the proposed LVC Arnold Health Professions Pavilion. He noted there was some ambiguity in the language of the cover letter that accompanied this request pertaining to possible revisions to the required tapping fee. To that end, and with the concurrence of Mr. Lamoureux, he indicated he would seek a new cover letter with clearer language from LVC's engineer before recommending the exemption for review and possible approval.

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 August 23, 2016 Authority meeting 39 accounts were posted for shutoff; this was comprised of seven customers who were under a payment contract but had not paid, 19 customers not under a payment contract with the Township, and 13 landlord/tenant customers. Mr. Yingst concluded by reporting that over the past five weeks more than \$8,900 had been received from significantly past-due customers, including \$1,500 from BSW Holdings, \$900 from the Allen Theatre, and the balance owed on the former Smith-Loser property at 807 East Walnut Street.

2017 Draft Budgets - Sewer Fund and Sewer Capital Fund: Mr. Yingst presented the 2017 draft budgets for the Sewer Fund and the Sewer Capital Fund for the Authority's review and comment. He noted that these draft budgets were prepared with input from Mr. Powell and were based upon historical analytics. Mr. Yingst also reported that these draft budgets would be reviewed by the Board of Commissioners at its October 12, 2016 Special Meeting. He stressed that, as these draft budgets were being provided to the Authority with more than a quarter of the year remaining, the numbers presented would inevitably change as the budget process continued.

and more information became available. With that in mind, Mr. Yingst noted that the 2017 draft budget for the Sewer Fund was balanced with the \$60,960 surplus of revenues over expenses being budgeted as a year-end contribution to the Sewer Capital Fund. He indicated this was done with no increase projected to the quarterly Sewer Rentals fee, which would represent the second consecutive year of no fee increase. Mr. Yingst also noted that, as the budget is using estimates for the cost of health insurance, the surplus figure may change once the actual 2017 figures become known in early-October. He concluded by noting that a 2016 year-end surplus was also forecast for the Sewer Fund and he suggested that a portion of this surplus be used as a greater-than-budgeted contribution to the Sewer Capital Fund in 2016 as well as a contribution to the Non-Uniformed Pension Fund and shared the benefits of doing both. Mr. Perrotto asked about the projected revenues from sewer haulers in 2017. Mr. Yingst noted that he had budgeted for a \$25,000 budget increase to this account in 2017 from the 2016 budget figure. He further noted that while 2016 revenues from septic haulers were projected to exceed the 2017 budget figure, he believed that a conservative budget increase for this account was the most prudent strategy to adopt. Mr. Rooney then briefly recounted the revenues from septic haulers that had been forecast at the beginning of the WWTP improvements project and hoped that this source of revenue would continue to grow. Mr. Ludwig asked if there was the ability to invest Sewer Fund and Sewer Capital Fund monies in accounts with higher earning potential. Mr. Yingst noted that municipalities were limited in how they could invest public funds, but he thought it would be appropriate to review what investment vehicles were available. He further noted that both funds were currently invested in the Pennsylvania Local Government Investment Trust (PLGIT) to try and maximize earned interest on their balances.

MOTION by Mr. Ludwig, 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. Perrotto, second by Mr. Myers to adjourn the meeting. Motion carried unanimously and the Regular Meeting was adjourned at 6:35 PM.


(Assistant) Secretary