

**MINUTES OF THE ANNVILLE
TOWNSHIP AUTHORITY
May 24, 2016**

The May Regular Monthly Meeting of the Annville Township Authority was held starting at 5:30 PM on May 24, 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 participating by telephone, 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); and Timothy D. Sheffey and Corey Lamoureux, Office of the Township Solicitor.

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. Ludwig, second by Mr. Perrotto to approve the minutes of the Regular Meeting held April 19, 2016 as presented. Motion carried unanimously.

SEWER FUND REPORT: The Authority reviewed the Sewer Fund Report for the period ending April 30, 2016. Mr. Ludwig inquired about the more than \$46,000 deficit per the income statement and Mr. Yingst indicated this was due to a routine year-end adjusting journal entry from 2015 debiting approximately \$171,000 from this account and that a similar amount will be credited to this account when the 2016 financial statements are finalized, so this represents a temporary accounting matter that will be effectively reversed at year-end. Chairperson Rooney inquired about the increase in total assets and liabilities on the balance sheet and Mr. Yingst indicated this was due to the reclassification to the balance sheet of costs related to the WWTP improvements project now that the project has been completed that were previously classified as construction-in-progress.

ACCOUNTS PAYABLE: The Accounts Payable list for May 2016 was reviewed. Chairperson Rooney inquired about Check No. 10833 to Evoqua Water Technologies LLC and Mr. Yingst and Mr. Powell indicated this pertained to the purchase of ferrous sulfate, which is purchased on average between four to five times annually. **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.

SUPERINTENDENT'S REPORT: Mr. Powell briefly reviewed the Monthly Report, noting that the WWTP is operating very well. 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 discussed the results of the latest samplings for Annville-Cleona High School (ACHS) and Kindred Place, and it was noted that while the sampling results (and consequently the surcharge) was somewhat higher than typical for the former, the sampling results for the latter indicated that Kindred Place would not be assessed a surcharge. Mr. Yingst

ANNVILLE TOWNSHIP WASTEWATER TREATMENT PLANT

STATUS OF PENDING PROJECTS

May 19, 2016

- (1) **SURCHARGE** We sampled ACHS & Kindred results attached.
- (2) **HAULING** Hauled 54 loads 205,200 gals.
- (3) **METHANOL PUMP** The new pump we got from Watson Marlow has been working very well. I would like to purchase the pump. The price is \$8,000 which will include spare hose and liquid.

Respectfully Submitted,
Les Powell Chief Operator

noted that copies of these sampling results were mailed to both entities and the surcharge for ACHS would be assessed to its June 1, 2016 sewer bill.

Methanol Pump: Mr. Powell provided an update on the ongoing issues with the methanol pumps that were installed as part of the WWTP improvements project. He reported that the trial pump the Authority discussed at the previous month's meeting has continued to run very well since its installation and he requested that he be authorized to purchase at least one pump from Watson Marlow at a cost of approximately \$8,000 per pump, including spare hoses and lubricating liquid. The Authority then turned to the matter of seeking reimbursement from Geiger Pump & Equipment Co., the manufacturer of the previous pumps, and it was noted that Mr. Sheffey's December 2015 letter to Geiger indicated the Authority would seek reimbursement from them for any costs associated with replacing insufficiently operating pumps. The Authority discussed with Mr. Powell if it would be appropriate to replace one pump or both pumps, and there was concurrence among members of the Authority that it made sense to seek reimbursement for two pumps. Mr. Sheffey asked if a performance bond might be in effect that could augment any claim the Authority might wish to make against Geiger. While Mr. Ludwig and Mr. Powell were doubtful about this, the latter agreed to reach out to Mike Mehaffey, Lead Engineer to the Authority from Gannett Fleming, to inquire regarding this or any other technical issues pertaining to the pumps. Mr. Powell did report that in an earlier conversation he had with Mr. Mehaffey regarding this issue, the latter indicated he believed that Geiger's pump met the project specifications, and several members of the Authority expressed their recollection to the contrary. With no further discussion noted, **MOTION** by Chairperson Rooney, second by Mr. Ludwig to recommend to the Board of Commissioners that it authorize the purchase of up to two replacement methanol pumps from Watson Marlow at a cost of approximately \$8,000 per pump. Motion carried unanimously. **MOTION** by Mr. Perrotto, second by Mr. Myers to instruct that correspondence be issued from Mr. Sheffey to Geiger Pump & Equipment Co. seeking reimbursement for the costs associated with replacement of pumps, pending Mr. Powell's communication with Mr. Mehaffey regarding the possibility of a performance bond still being in effect and any other technical or strategic questions for or assistance from Mr. Mehaffey pertaining to the pumps or reimbursement thereof. Motion carried unanimously.

Required Monthly Reports: Mr. Ludwig took a moment to review the reports that Mr. Powell submits to the Authority members monthly and inquired of his colleagues if they thought there were any reports that were unnecessary. He expressed his belief that the Monthly Facility Operation Report was unnecessary in that it needlessly micromanaged Mr. Powell, thereby not making the best use of the latter's time, and suggested that this particular report no longer be required. Mr. Perrotto concurred. Chairperson Rooney indicated his support for such streamlining and that while he also would likely concur with this recommendation, he wanted to review the submitted reports before making a decision and asked to revisit this matter at the June Regular Meeting.

SOLICITOR'S REPORT: The Authority was informed 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 properties on North King Street and West Church Street that are owned by BSW Holdings, he

reported that BSW Holdings is continuing to make its routine monthly payments and that the principal balance of this lien is now below \$3,000. Regarding the lien against the former Smith-Loser property at 807 East Walnut Street, Mr. Sheffey indicated that he anticipated sending a letter to the new owner sometime in the next month regarding payment of the lien and that he expected that he would have more to report on this matter at the June Regular Meeting.

ENGINEER'S REPORT: The Authority addressed the following item:

Proposed Revised Agreement for Engineering Services with Gannett Fleming: Mr. Yingst provided a proposed revised agreement for engineering services with Gannett Fleming for 2017 that was drawn up by Mr. Mehaffey. Mr. Yingst noted the annual cost for the proposed agreement would be \$3,000, representing a not-to-exceed figure for the Chapter 94 Report, while general engineering services, miscellaneous technical guidance to Authority staff, and the engineer's twice-a-year attendance at meetings was not included in this price but would be billed on a time and materials basis. By way of comparison, he noted that the current agreement, with an annual cost of \$3,500, did not include the cost of the Chapter 94 Report, while it did include in the price an annual report and inspections, miscellaneous technical guidance, and the engineer's twice-a-year attendance at meetings. Mr. Yingst also noted that he discussed with Mr. Mehaffey the concerns expressed by the Authority about previous engineering services, especially toward the end of the recent WWTP improvements project, and that Mr. Mehaffey was appreciative of the information and expressed his confidence those issues would not recur. Mr. Sheffey then reviewed the Standard Terms and Conditions appended to the proposed agreement and discussed several of these terms and conditions with the Authority in detail. The members of the Authority seemed to concur on holding off on any action at present regarding the proposed agreement.

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 April 19, 2016 Authority meeting 20 accounts were posted for shutoff; this was comprised of five customers who were under a payment contract but had not paid and 15 customers not under a payment contract with the Township. Mr. Yingst concluded by reporting that over the past five weeks more than \$8,600 had been received from significantly past-due customers, including \$3,000 (representing the April and May routine monthly payments) from BSW Holdings and \$400 from the Allen Theatre.

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

There being no further business to come before the Authority, **MOTION** by Chairperson Rooney, second by Mr. Ludwig to adjourn the meeting. Motion carried unanimously and the Regular Meeting was adjourned at 6:08 PM.


(Assistant) Secretary