

**DRAFT MINUTES OF THE ANNVILLE
TOWNSHIP AUTHORITY
November 27, 2018**

The November Regular Monthly Meeting of the Annville Township Authority was held starting at 5:30 PM on November 27, 2018 in the Commissioners' Room of Annville Town Hall, 36 North Lancaster Street, Annville, PA with the following members present: David Myers, Chairperson; Anthony Perrotto, Vice Chairperson; Hugh Rooney, Secretary; Barry Ludwig, Treasurer; and Anthony Deaven, 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, Esq., Township Solicitor; and Thomas R. Embich, Township Commissioner.

Chairperson Myers called the meeting to order and led those present in the Pledge of Allegiance to the flag of the United States of America.

RECOGNITION OF VISITORS AND OPPORTUNITY FOR PUBLIC COMMENT:

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

MINUTES: MOTION by Mr. Perrotto, second by Mr. Deaven to approve the minutes of the Regular Meeting held October 23, 2018 as presented. Motion carried by a vote of four to zero with Chairperson Myers, Mr. Perrotto, Mr. Rooney, and Mr. Deaven voting in favor of the motion and Mr. Ludwig abstaining.

FINANCIAL REPORTS: The Authority reviewed the income statements and balance sheets for the Sewer Fund, Sewer Capital Fund, and MS4 Fund for the period ending October 31, 2018. Mr. Deaven noted total revenues for the Sewer Fund were running slightly behind total expenditures and asked Mr. Yingst if he believed that would resolve by the end of the year. Mr. Yingst indicated the Sewer Rentals revenue account incurred a routine year-end adjusting journal entry from 2017 debiting approximately \$170,000 from this account in 2018, and that without this adjusting journal entry this account would be projected to exceed 100% of budgeted revenues by year-end. He also noted a similar amount will be credited to this account when the 2018 financial statements are finalized, so this represents a temporary accounting matter that will effectively be reversed at year-end. With that in mind, Mr. Yingst indicated he believed revenues would exceed expenditures for the Sewer Fund when the 2018 financial statements were prepared and finalized by the auditors. Mr. Ludwig inquired why the Engineering Services and the Plant - Repair and Maintenance accounts were significantly overbudget. Mr. Yingst indicated the former was due to the MS4 fee development project and the development of the biosolids management database having been budgeted for in 2017 but paid in 2018, as well as some preliminary costs for the dewatering project. He and Mr. Powell indicated the latter was due to the rental of dewatering equipment and disposal of the cake from the dewatering process, as well as the cleaning of the reed beds and disposal of the materials on them.

ACCOUNTS PAYABLE: The Accounts Payable list for November 2018 was reviewed. **MOTION** by Mr. Perrotto, second by Mr. Ludwig that the list of vendors to be paid (Cash Disbursements Journal) for the Sewer Fund, Sewer Capital Fund, and MS4 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, and it was noted the plant's Total Nitrogen (TN) and Total Phosphorous (TP) figures were running lower than at this point the prior year. 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: The Authority reviewed the results of the latest samplings for the American Legion, Annville-Cleona High School, and Kindred Place. Mr. Yingst reported that copies of these sampling results were mailed to these entities earlier in the month and based upon these results surcharges would be assessed to their December 1, 2018 sewer bills, with the exception of Kindred Place, which did not exceed any of the Township limitations.

Sludge Hauling and Capacity: Mr. Powell reported the levels in the sludge storage tanks are getting high and, while he hoped to be able to spread sludge on the Pennsy field in the next two weeks, it depended on the weather cooperating. He noted that if he was able to access the Pennsy field within that timeframe he should have sufficient storage for sludge until spring but, if not, the Authority would again need to consider renting dewatering equipment as it had done earlier in the year. Mr. Yingst indicated that \$50,000 had been allocated in the 2019 budget for such an emergency. The members of the Authority were supportive of such a rental, if necessary. Mr. Powell indicated he would reach out to his contacts for renting the equipment and disposing the cake to determine availability and prices so that could be considered by the Authority at its next meeting if the sludge spreading on the Pennsy field had not occurred by that point. Mr. Powell also noted he had sufficient capacity in the tanks into January 2019.

Dewatering Equipment and Building Project: The Authority reviewed an update provided by Gannett Fleming of its activities over the past month, in particular noting its involvement (1) developing the building, site layout, platform, and foundation location plan drawings; (2) developing the specifications for the COSTARS procurement of the dewatering equipment package, which appears to be roughly \$20,000 less than estimated; (3) responding to the County Engineer regarding his questions regarding the stormwater plans; and (4) compiling the Water Quality Management (WQM) Part II Permit application package. It was noted that while Gannett Fleming believed the delays in receiving approval for the stormwater plan may have cost about a month according to the original schedule, it was believed the project was on track to be completed by September 2019. It was also noted Gannett Fleming planned to complete and submit the WQM Part II Permit application package to the Pennsylvania Department of Environmental Protection (DEP) in December, and the proposal for the centrifuge, polymer system, macerator, and leveling conveyor would be presented to the Authority at its December meeting.

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

Review of Dewatering Equipment Package Proposal: Mr. Lamoureux reported he reviewed the COSTARS proposal for the dewatering equipment package and had raised some questions regarding the warranty language for the centrifuge, whether shipping was included in the quote, and some other matters of clarification, all of which he asked Gannett Fleming to follow up on with the manufacturer.

Legal Actions Against Significantly Delinquent Customers: Regarding the lien against the Forbes property at 144 Water Street, Mr. Lamoureux noted no payments were made over the past month regarding the outstanding balance of \$931.89, which was comprised of legal and filing fees.

Cleona Pump Station Maintenance Agreement: Mr. Lamoureux reported that while the Cleona Borough Authority (CBA) has included the proposed \$500 per quarter increase in its 2019 budget, it was unable to adopt a resolution authorizing same at its November meeting because a quorum was not present. He further reported the CBA anticipated adopting such resolution at its December meeting, and a draft of the accompanying resolution for the Annville Township Authority to adopt at its December meeting was presented for review.

RECESS FOR EXECUTIVE SESSION: Chairperson Myers called a recess for an Executive Session to discuss potential litigation at 5:52 PM. The Regular Meeting was reconvened at 6:11 PM with the five members of the Authority, Mr. Yingst, Mr. Lamoureux, Mr. Powell, Mr. Embich, Township Commissioner Rex A. Moore, and Township Commissioner Henri B. Lively present.

ENGINEER'S REPORT: Nothing to report this month.

MUNICIPAL SEPARATE STORM SEWER SYSTEM (MS4) REPORT:

MS4 Fee Appeal for Norfolk Southern Property: Mr. Yingst reported that Norfolk Southern would not have the infiltration testing completed by the next Authority meeting, which was the deadline for the Authority to decide on its MS4 fee appeal, because it was considering if the testing should be done at a municipal or state level. It was also reported Norfolk Southern asked what this would mean for the appeal. The members of the Authority discussed this, noting time had already been provided for the testing to take place and be evaluated, and because of this it was not inclined to grant a second extension. To this end, Mr. Yingst was instructed to inform Norfolk Southern it needed to provide the Authority with information on what it has done over the course of the appeal period regarding infiltration testing, what the railroad specifically planned for the infiltration testing going forward, and why an extension of the appeal timeframe should be considered.

MS4 Remapping: Mr. Yingst and Mr. Embich reported on DEP's comments to the Pollutant Reduction Plan (PRP) submitted for the Lebanon County Stormwater Consortium (LCSC), of which Annville Township is a member. It was noted the LCSC submitted a PRP that did not include impervious areas that do not discharge directly to the stormsewer system, as DEP had instructed, although DEP's comments now indicated it would require this on the PRP. Mr. Embich reported on the LCSC's response to DEP through its engineer thus far, and while the LCSC was opposed to including this additional area in a revised PRP for the current MS4 permit cycle—which could significantly expand the projects included in the PRP and affect the municipal fees that would fund them—it did believe it was prudent to commence with a remapping of these additional areas as this matter of dispute between DEP and the LCSC—and many other municipalities across the state, as well—is unresolved. Mr. Yingst noted he expected to have a proposal from the Township Engineer for this remapping work in time for the December Authority meeting, and that a cost of \$1,500 to \$2,000 was anticipated.

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 October 23, 2018 Authority meeting 28 accounts were posted for shutoff; this was comprised of three customers who were under a payment contract but had not paid, 18 customers not under a payment contract with the Township, and seven landlord/tenant customers. Mr. Yingst concluded by reporting that over the past five weeks more than \$5,200 had been received from significantly past-due customers.

December Meeting Reminder: Mr. Yingst reminded the Authority that, due to the Christmas holiday, the Township Authority would be holding its final 2018 meeting on the third Tuesday in December, December 18, and was scheduled to hold its election of officers for 2019 at that meeting. At Mr. Rooney's request, Mr. Yingst indicated he would email the members of the Authority information on the officer rotation that has been used by the Authority in past years.

MOTION by Mr. Ludwig, second by Mr. Rooney 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. Deaven to adjourn the meeting. Motion carried unanimously and the Regular Meeting was adjourned at 6:30 PM.

(Assistant) Secretary