

**MEETING MINUTES OF THE  
PLUM CREEK MUNICIPAL AUTHORITY  
May 2017**

A regular meeting of the Board of The Plum Creek Municipal Authority was held on May 16, 2017 at the Plum Creek Municipal Authority Business Office Building, South Manheim Township, Schuylkill County, Pennsylvania.

Board members present at the meeting were Jim Ridderhoff, Dennis Scharadin, Jerry Weiss, and Matt Gruber. Also in attendance was Dave Bright (PCMA Engineer), Joe Zerbe (PCMA Attorney), Jeff Crawford (PCMA Operations Manager – Select Environmental), Nancy Wesner (PCMA Office), Wayne Township Supervisors Stan Fidler & Ralph Fidler, property owner Frank Miller, and property owners/LWPOA Board Members Richard Hardy, Lou Warne, Joe Haggarty, and David Tyson.

Jim Ridderhoff called the meeting to order at 6:00 p.m.

The minutes of the prior meeting held in April, 2017 were reviewed and accepted by motion of Matt Gruber, seconded by Dennis Scharadin, and carried by all.

The Treasurer's reports for April, 2017 was reviewed and accepted by motion of Dennis Scharadin, seconded by Matt Gruber, carried by all.

Jim opened the floor for discussion of the future of the PCMA's Sewage Management Program and how it will affect the customers of Lake Wynonah.

Tom Nagle (not present) and Jen Hoy (PCMA Office Manager) composed a report detailing sewage expenses for the year 2016, and a sewage cost analysis with a variety of options that could be implemented to address current and future costs of maintaining the PCMA's Sewage Management Program, and future sewage operations in general. Because Tom was not present, Jen explained the reports to those present at the meeting.

Jen explained that, in doing research about Sewage Management Programs (SMPs), she found that most municipalities do have SMPs but they administer them differently than the PCMA does. The biggest difference is that most municipalities don't have pumper trucks or sewage treatment plants, which cuts down on the costs and operations of maintaining the SMP. Based on her research, the PCMA is the only municipality she could find that utilizes pumper trucks and operates a sewage treatment plant for the purpose of the SMP. Some municipalities allow customers to choose the hauler they want to use for their three-year pumpings, and some have a list of designated haulers for customers to pick from.

In both cases, customers are notified that their pumpings are due, and instructions are included to explain how to proceed. Simply put, the municipality (or other person(s) designated by the Townships) administers the SMP but is not directly involved in the actual pumping of the tanks. This makes the entire process more manageable, financially speaking, while still maintaining the integrity of the SMP.

A copy of the Sewage Expenses Sheet and Sewage Cost Analysis was distributed to those in attendance. The Sewage Expenses part of the report indicated 2016 sewage expenses were \$384,851 but sewage revenues were only \$150,874, a \$233,977 shortfall. After deducting one-time sewage expenses for 2016 (purchase of a used pumper truck, payments on a new Mack pumper truck, etc.) there still remained a shortfall of \$63,541. Taking into consideration imminent upgrades and the major repairs necessary to continue sewage operations, the expense-to-revenue ratio for 2017 is expected to be even more dramatic unless holding tank and septic tank rates are increased significantly. The sewage part of the Authority has never been self-supporting and has always been subsidized in part from water revenues.

Jen said the PCMA Board invited the Townships Supervisors and the Lake Wynonah Property Owners' Association Board (LWPOA) to attend the meeting to inform them of the issues the Authority was facing with the Sewage Management Program (SMP) and to discuss some of the solutions that were available. Township involvement would be required in order to change the SMP, and the LWPOA needed to be aware of changes that may take place in order to prepare for additional pumper trucks coming into the community. Jen said the Township Ordinances and the SMP would have to be rewritten and adopted by both Wayne and South Manheim Townships. She said the PCMA could rewrite all the necessary documents but the Townships would have to approve and adopt them. She added that it was important for the LWPOA to know that changes might be made in order to prepare for other pumper trucks coming into the community if outside haulers started servicing the holding and septic tanks in Lake Wynonah.

A question was asked if there was any follow-up with the Schuylkill County Municipal Authority in regard to taking over operations of the Plum Creek Municipal Authority. Jim said SCMA representatives came to tour the facilities but they have not been in touch with the PCMA, and no decisions have been made.

A thought was introduced that the Schuylkill County Municipal Authority might be willing to let the PCMA haul to its Deer Lake sewage treatment plant rather than maintain the Authority's plant for sewage processing. Jerry said the Deer Lake treatment plant has the capacity but the PCMA would have to run each load 12 miles to unload every pumping, and that would take considerable more time not to

mention wear and tear on the pumper trucks. Joe Haggerty asked how many pumper trucks the SCMA has, and the Board told him that the SCMA doesn't have any pumper trucks. Jeff Crawford said that outside haulers would probably charge more than the PCMA does. Jim Ridderhoff said that was the point – the PCMA isn't charging enough to cover the costs of pumping, but increasing pumping fees won't solve the long-term problem of a deteriorating sewage plant and all the massive repairs that are needed right now.

Jen said the customers who have septic systems won't really be hurt by a significant increase in pumping fees because they have three years to prepare for it. It's the customers that have holding tanks who will be considerably impacted, especially those who have two to three pumps a month. Joe Haggerty asked if the holding tank customers were staying constant or if they were decreasing. Jen said they have been slowly decreasing but there were still 169 customers who utilize holding tanks, 91 of which are part-time residents and 78 who have full-time addresses. She added that if the pumping was opened to outside haulers it might create enough competition to keep the cost of pumping holding tanks lower than what the PCMA would have to charge. However, even the outside haulers would have to charge enough to cover their costs and make a profit because there would be no point in doing it if they couldn't maintain their businesses.

Matt asked if anyone knew what the outside haulers charged for septic pumping. Jen said that Tom contacted haulers a couple of years ago to see what they charged, and the prices varied substantially. Jerry said he wondered how many new customers the private haulers could take on in addition to their current customer base. Matt said, depending on how much the private haulers would charge to pump in Lake Wynonah, it may just come down to the PCMA raising prices to where they needed to be, and that would be the end of it. Joe Haggerty said, just for example, if outside haulers charge \$350 a pump and the PCMA just raised all pumps to \$350, then the whole problem would go away because, one way or the other, the cost of pumps will increase. Matt said that's the truth of the whole situation – pump prices would have to go up to cover expenses and, unfortunately, the holding tank pumps would have to go up too, which would put a big burden on holding tank customers. But that's something that's unavoidable.

Frank Miller, property owner, said he didn't know what he was buying when he bought his home because he had no idea what a holding tank was; nobody ever told him. He said he found out soon after what a holding tank was and, in his situation, he has to have it pumped every month. He said he was paying more money out than someone who has a septic tank. The Board agreed that he was, but he was

utilizing the pumping service a lot more than a property owner who has a septic tank that only had to be pumped once every three years. He said when he first moved to Lake Wynonah, the cost to pump his holding tank was \$75. Then it went to \$125 and \$150 after that. Now the cost is \$160, meaning it doubled in five years. Dennis said the problem is that there are some very large expenses coming up if sewage operations continued, and there is a customer base of 1,200 homes that won't ever increase by very much. That means all the expenses of the Authority have to be carried by those 1,200 customers; if the expenses go up, and they will, the cost to each customer has to go up also. Frank said he thinks the best thing to do is for the PCMA to just get rid of the sewage operations, even though that won't solve his problem of having to deal with a holding tank. Dennis said that's the problem that the PCMA Board is facing now – what to do with sewage operations that have expenses which will drive pumping rates way up. Jim said changes have to be made now to keep the Authority afloat.

Joe Haggerty asked if the PCMA had the authority to just cut the customers loose to go to whoever they wanted to have their pumps done. Jim said the PCMA can't change anything without approval from the Townships. He said a decision has to be made to solve the sewage operations problem and, if the solution is to go to outside haulers and shut down sewage operations, the appropriate changes would be made to different ordinances and the Townships would have to review them for approval. If the Townships approved, the PCMA could then dissolve the sewage part of the Authority and outside pumpers/haulers could then service the Lake Wynonah sewer customers. Jim said the PCMA has to go through the proper channels which, in this case, would be the Township Supervisors. Joe Haggerty asked where the Schuylkill County Municipal Authority fit in all of this; Dennis said the SCMA wasn't involved.

Matt added that the PCMA applied for a grant to help with the major repairs needed to the sewage treatment plant and sewage operations in general but the grant was denied. Without the grant, the PCMA is unable to make the repairs necessary to continue sewage operations without big increases in the sewage rates. In theory, the rates the PCMA would have to set to cover the costs of keeping the sewage treatment plant in operation would probably have to be a lot higher than what outside pumpers/haulers charge now. Dave Bright said the immediate repairs that are needed totaled over \$500,000 but they had to scale back the amount to stay under the grant application limit. Unfortunately, the application wasn't approved. Joe Haggerty asked if the cost problem for sewage would have been solved if the grant would have been approved. Dave said it wouldn't have solved the problem because the grant was for capital repairs and the sewage expenses on the cost

analysis were mostly operating costs that wouldn't change or would increase; they wouldn't go down.

Stan Fidler, Wayne Township Supervisor said, in respect to the sewage operations, that if you keep digging in the same hole it's going to keep getting deeper. He said it's only going to get worse and a way out of the situation has to be found. Jim said that's what the PCMA is trying to do – find a solution and it appears that the only viable option at this point is to change the Ordinances to allow outside haulers to come in to take over the sewage hauling, and shut the sewage plant down. But he said discussions about it just started and they will continue. Also, suggestions that were made at the meeting will be taken into consideration to see if a better solution can be found. Stan also said there's one thing you don't want to be involved in – the PCMA shouldn't be in the trucking business. That's where he sees the advantage of having the outside haulers come in. Then the pumper trucks can be sold.

Jen said the Sewage Management Plan wouldn't go away if the PCMA got out of the sewage business. As Administrator of the SMP, the PCMA would still notify homeowners when their pumps/inspections are due, as well as provide all the paperwork that's needed to be filled out by the haulers and returned to the PCMA. The PCMA will keep the paperwork on file and forward copies of the ones that need follow-up to the Township SEO for further review. She said the DEP estimated that it would cost roughly \$2,600 a year to administer the SMP. Jen said she thought that might be a little low when you consider the cost of postage, but it's still something that could be absorbed by the PCMA through water operations. Absorbing the cost of maintaining the SMP with water funds would be appropriate because the purpose of the SMP is to protect the community's drinking water and both of the lakes. Also, Jen said, if she understood correctly, if an organization other than a municipal authority administered the SMP they could be reimbursed each year by the PA DEP, but she had to recheck that to be sure.

A few more questions were asked and answered about the sewage cost analysis and different solution options. Also, a question was asked about salaries. Jen said if the sewage part of the PCMA didn't exist anymore, except for the SMP administration, the Business Office would no longer need two full-time people. She said Nancy, who is one of the full-time office workers, would remain full-time and, and then there would be a part-time salary in addition to that. Jen said, depending on what the Board wanted, she might stay on in a part-time position but she was not planning on working full-time after the necessary changes are made at the PCMA. In the field, there would be no need for pump truck drivers. The one driver, Mickey, is already being trained in other areas relating to water operations, and he

would be moved into a different job position. The PCMA would also have need of a full-time Authority Manager. There may be a need for a floating part-time person for field work sometimes, but that would have to be evaluated. When the question of the Schuylkill County Municipal Authority taking over the PCMA came up again, Dennis said whether they did or not, there's a sewage problem that needs to be taken care of and it can't be put off any longer. If the PCMA would have received the grant it applied for, it would have taken care of repairs that needed to be addressed but it still wouldn't have solved the problem of day-to-day sewage expenses exceeding revenues.

A question was asked if most of the holding tank properties could be converted to septic systems using remediation (replacing soil to settle and perc for a septic or sand mound system). Matt Gruber said a lot of them can. He said it's a three-year process but it would solve the problem for the holding tank customer. He said a number of holding tank properties have gone through the process of switching over, and some others are in the midst of converting, meaning the ground has been replaced and it is in the settling period in the remediation process. Jen said she notified the community at least three years ago that sewage rates were going to increase dramatically at some point, and it was suggested then that people start thinking about alternatives for their holding tanks. A lot of the people who switched to other systems, or are in the process of switching, heeded the notices and took action right away.

Joe Haggerty asked what would be done with the money saved from eliminating the sewage operations, should that happen. He was wondering if any future projects were being planned for the water system. Dennis said that there are always going to be water system repairs and maintenance, and well rehabilitation will be an ongoing process. Stan Fidler added that a reserve should always be maintained and any money that builds up should be kept for emergencies and for when things go wrong. Jim said the reserve that had been in place has been dwindling quickly and it must be built up again.

Jim thanked the people in attendance for coming, and for participating in the discussion. He also said that the PCMA would let everyone know when future discussions would take place. At that point, the LWPOA Board Members, the Township Supervisors, and the property owners in attendance left the meeting, and the Board continued with routine matters.

Jen said she would send letters to the pumpers/haulers in the area, and to some just over the County line, to see if there is enough interest among the outside haulers to consider closing sewage operations at the PCMA. If the outside haulers aren't

interested in pumping in the community of Lake Wynonah, the PCMA would have to continue sewage operations because it can't leave the customers with nobody to pump their tanks.

Jeff gave the manager's report. In water operations, he reported:

- Normal operations continue. No violations to report this period.
- Well #1 has a minor leak in an old 1/4" line that's no longer used. The well has been shut down until in-house repairs are completed.
- The Booster Station is at 16.4 PSI as of May 16th; 17.3 PSI is full capacity.
- System-wide hydrant flushing was completed on April 28th, except for most of Papoose Drive. Flushing on Papoose Drive couldn't be completed because a pump became inoperable at the Booster Station causing a situation where there was not enough water pressure to flush the hydrants in that area.
- A revised quote was received for roof repairs at the Booster Station for \$4,500. A quote from another contractor was received previously at \$3,615. Also, Kohl Bros. was contacted for an estimate to repair jockey pumps at Wells 1 and 2.
- The LWPOA will begin filling the community swimming pool starting May 22nd or 23rd. Ample water stores are available for filling the pool, and all wells will be online.
- The NPDES renewal application is being addressed and data is being compiled.

In sewage operations, Jeff reported that:

- Normal operations continue.
- Approximately 25 septic pumps are in the backlog. Both pump trucks are operational. Steering tires for the Blue Mack and rear drive tires for the Western Star are needed for upcoming inspections. The tires will be purchased and mounted by the end of the month.
- Randy Keller, the new part-time pump truck driver started on May 9th. He is currently being trained by Mickey. There are no issues to report.

- The #2 Blower motor at the sewage treatment plant was installed by Axiom. The #2 Blower was retimed, and all Blowers are currently operational.
- The air compressor for the influent valve at the sewage treatment plant is inoperable due to a bad relay switch. The part to repair it is on order. Flow is currently being maintained using the inlet gate valve.
- A quote was received for a portable, 21,000-gallon Frac tank in the event it's needed in the future. The cost to rent the tank is \$35 a day plus delivery and removal.
- Both pickup trucks are currently operational. An insurance claim check was received for the body repair work on the Ford Ranger.

Jeff said he got some quotes for a Frac Tank just in case the two large sewage storage tanks at the treatment plant had to be taken out of service for a lengthy period of time. Because of the poor condition they're in, there's no way of knowing if they'll fail suddenly, and he wanted to know what kind of costs the PCMA would be looking at until they could be repaired. The Board had the tanks on the agenda to be replaced for a number of years but there were no funds available to do that. Upon motion by Dennis Scharadin, seconded by Matt Gruber, and carried by all, the Board approved and accepted the proposal from Becker Construction in the amount of \$3,615.00 for the roofing project at the Booster Station.

Dennis asked Jeff if the wells were still pumping sufficiently since they were rehabilitated. Jeff said they're pumping well and they are easily keeping the storage tanks filled even though they're running at 60 gpm or less. Also, Well #1 was shut off a few days ago due to an overload issue and the storage tanks were still overflowing.

In engineering matters, Dave Bright said there was nothing new to report.

In legal matters, Joe Zerbe said there was nothing new to report.

Jim recapped the sewage issues and the Board talked about how to proceed. Jen said she will proceed with contacting septic haulers/pumpers to see if there's enough interest to move forward. After that, if the Board decides to proceed with closing the sewage part of the Authority, she said the Sewage Management Plan and possibly some Ordinances would have to be rewritten, and then submitted to the Townships for approval. Joe Zerbe asked if someone should contact the PA DEP about the sewage issues. Dave Bright said he could contact the PA DEP to see what's required to amend the Act 537 Plan and also what needs to be done to close



the sewage plant as far as permitting goes. The Board said Dave should get some answers as to how to proceed if a decision is made to close the sewage plant.

There being no further business, Matt Gruber motioned for adjournment, Jerry Weiss seconded the motion, carried by all. Jim Ridderhoff adjourned the meeting at 7:45 pm.

Meeting minutes were taken, prepared, and submitted by Jennifer Hoy.