

The October 27, 2014 regular monthly meeting of the Greater Hazleton Joint Sewer Authority was called to order by Chairman Veneroso at 7:30 PM. All in attendance gave a pledge of allegiance. Board Member Eyerly was absent and all other Board Members were present. Robert Dougherty, P.E. of RJD Engineering, Inc. was also present. Brian Kauffman, P.E. of Gannett Fleming, Inc. was in attendance during the Work Session.

PUBLIC COMMENT

During the Work Session Dee Deakos, a resident of the City of Hazleton, stated that the cost of the Incinerator Project increased by \$3,700,000 and asked what the operating cost of the incinerator would be when it is up and running. The Director of Operations, Christopher Carsia, stated that the tonnage sent to landfill will be reduced to approximately 25% of current levels. She then asked how much was spent on biosolids disposal per year. The Operations Manager, Gregory Olander, responded that in fiscal year 2014 the Authority spent approximately \$1,100,000 on that line item. She acknowledged that the line item is expected to realize a reduction from current levels. She stated that in a prior meeting, it was discussed that a rate increase would be needed to complete the Incinerator Project. She then asked what the residents are gaining for this increase to their rates. Christopher responded that the rate increase would be needed for additional air quality equipment to meet new standards for incineration; primarily, mercury. She said if the sewer bills are increasing to pay for this equipment, what are the residents gaining. Christopher responded that EPA changed the air quality regulations for Sewage Sludge Incinerators (SSI) after the Authority was committed to the project. He said when the incinerator was approved for purchase, the Board and Management were not aware that EPA would be instituting more stringent air quality standards for SSIs. He said the Authority would have had to install another form of biosolids processing such as Aerobic or Anaerobic Digestion for millions of dollars, but since the plant was originally designed for incineration, it was the most cost effective option at that time and was also the recommendation of the Authority's Consulting Engineer. Ms. Deakos then asked why the 75% reduction in biosolids removal and disposal expense was not going toward the payments. Board Member Grink added that the hauling and landfill costs are increasing every year and landfills may stop accepting sewage sludge at any given time, which would force the Authority to search for other landfills farther away to dispose of the sludge. Christopher added that this already happened in the past with two landfills, which forced the Authority to look elsewhere for its sludge disposal needs. He said if it happens again, the closest available landfills may be out towards Ohio, which would escalate hauling and tipping fees closer to \$2,000,000 per year. Board Member Eyerly added that the more stringent air quality standards are essentially an indirect tax increase from the Federal government, which is the primary cause of the Authority's projected rate increase.

Ms. Deakos then asked if the Authority considered using the sludge for mine reclamation, which is done by some other treatment plants. Brian Kauffman responded that the biosolids would need to be "Class A", which would require additional processes at the plant and may also not be feasible due to the likely presence of heavy metals in the sludge preventing it from being classified as Class A. He said if it is not Class A it cannot be applied to land surfaces. She then asked why there would be metals in domestic waste. Christopher stated that the treatment plant is located in an industrial park with many industrial users connected throughout the system. Brian also stated that digestion is required to achieve Class A biosolids; therefore, a Digester would need to be installed and they cost as much as an incinerator. He said land application is only permitted at certain times of year and the Authority would also need to construct a large storage facility to hold sludge during the times it cannot be land applied. Christopher said lime

stabilization is also needed for land application, which is a costly to utilize. He said the Authority’s sludge is currently un-stabilized, which requires the Authority to move toward either incineration or digestion and lime stabilization.

Ms. Deakos then asked about a discussion of \$500,000 that was to go toward the incinerator from a prior meeting. Gregory Olander responded that the five-year financial projections contain a cost for the additional air quality equipment in the amount of \$3.65 million, which ends in the 2016-2017 fiscal year. He said it is an up-front capital cost that is not budgeted year after year. Ms. Deakos clarified that she was referring to a payment for depreciation. Gregory stated that each year a budgeted depreciation amount is set aside in a separate fund for future use at the current dollar valuation. He said the actual depreciation is much higher at about \$2,000,000 per year and although we are putting aside a fraction of the actual depreciation amount, at least it is something to build reserves to pay for a portion of the Incinerator Project and the Button Buck CSO Separation Project, since they are not fully funded at this time.

Milot & Boyarski moved to approve the minutes of the September 22, 2014 Regular Monthly Meeting. Passed: Aye-8, Nay-0, Absent-1

Boyarski & Fay moved to approve the minutes of the September 4, 2014 Special Meeting. Passed: Aye-8, Nay-0, Absent-1

Director of Operations Report - MONTHLY FLOW REPORT

	<u>September 2014</u>		<u>Year to Date</u>		
			<u>Total</u>		<u>Average</u>
Total Flow	166,788,336	Gallons	2,386,397,932	Gallon	xxxxx
Total Flow Bypassed	1,465,272	Gallons	88,858,079	Gallon	xxxxx
Days Flow Bypassed	2	Days	51	Days	xxxxx
Total Flow Treated	165,323,064	Gallons	2,297,539,853	Gallon	xxxxx
Average Minimum	3.8	MGD	xxxxx	xxxxx	6.2 MGD
Average Maximum	8.5	MGD	xxxxx	xxxxx	13.5 MGD
Average Daily Flow	5.5	MGD	xxxxx	xxxxx	8.4 MGD

Christopher Carsia, the Director of Operations, reported on the flow for September 2014. He said the total volume of wastewater diverted from all point sources for the month was estimated to be 25.024 million gallons with approximately 1.465 million gallons of treated outflow diverted at the treatment plant. He said approximately 1.838 million gallons of the total diverted flow was treated outflow from the Autumn & Ridge CSO Separator. He said the flow to the treatment plant was recorded at 166.8 million gallons with 165.3 million gallons treated. He also stated that the average daily flow to the treatment plant for the month was 5.5 MGD and the year to date average daily flow decreased to 8.4 MGD, which is below the Authority’s permitted capacity.

The Director of Operations reported that revenues for September 2014 were \$841,527.60, which is a 0.3% increase from the prior year. He said the bills issued for hauled waste received in September totaled \$123,464.27, which is an increase of 6.5% from the prior year. He said Bloomsburg WWTP began sending its sludge to the Authority again during the month, but a local food processer moved its sludge disposal to a treatment plant in the Lehigh Valley area

because they do not send their sludge cake to a landfill. He then reported that liquid waste hauler, Liquid Motion has paid toward a past due balance and owes approximately \$10,000 at this time. He said another waste hauler, Gotta Go Septics, was contacted and told that they must continue to have a declining balance.

The Director of Operations then reported that a meeting was scheduled for December 3, 2014 with DEP officials including the Regional Director, Michael Brunamonti, Scott Novatnak, Len Schall and Pat Musinski in enforcement. He said the Authority's Engineer was asked to be present so Brian Kauffman will attend the meeting. Board Member Eyerly asked when the last meeting of this type was held. Christopher responded that the last time was during the initial Regionalization meetings in 2007.

The Director of Operations informed the Board that the Environmental Manager, Laura Motel, was notified by EPA that the Industrial Pretreatment Program Audit will be conducted on November 6th and 7th.

The Director of Operations reported on a depression located above the 96" line behind the HAHS Track about 200 feet from the Black Creek Outfall that was caused by a joint separation transitioning from the old pipe to the new pipe. He said the Road Crew would replace the remaining section of pipe from where the new pipe was installed a few years ago to the creek. He said pricing was received through Costars for polymer coated metal pipe and steel reinforced plastic pipe, which was not made a few years ago. Andy Nowak stated that the polymer coated metal pipe would cost about \$50,000 and has a life expectancy of approximately 75 years while the steel reinforced plastic pipe would cost about \$100,000 with a life expectancy of about 200 years. He said the plastic pipe costs about twice as much as the polymer coated metal pipe. Board Member Eyerly asked if there was any cost saving by installing one type of pipe versus the other. Andy responded that the installation costs would be about the same regardless of the type of pipe installed.

The Director of Operations then reported that the Environmental Manager, Laura Motel, and Environmental Scientist Nicholas Sahd reviewed the domestic sampling location for the Local Limits evaluation. He said the location was moved from the Stacie Manor Pump Station in Hazleton to the Cranberry Diversion Chamber in the Village of Cranberry to get a better representation of domestic waste in the system.

The Director of Operations reported on a sewer replacement job on Carleton Avenue where two laterals were broken at the main line. He said, Sandy Chynoski, a resident affected by the repair relayed her gratitude to the Authority for the work done by the Road Crew. Andy Nowak said about 120 feet of 6-inch terra cotta pipe was replaced with PVC due to a broken private main line where a few houses were affected. He said the push camera was used to inspect 160 feet upstream and it was found to be in good condition. He said a riser was also installed for flushing because there is no manhole in the vicinity. Board Member George asked Andy Nowak a cost estimate if this work was performed by a contractor based on his years of experience estimating for Slusser Brothers. Andy responded that with a 10 foot depth, a good figure is about \$300 per foot, which would have cost approximately \$36,000 to \$40,000 with pavement restoration. Andy stated that the bulk of the work is complete and using the Authority staff for the repair it is expected to cost \$20,000 to \$25,000. Board Member Cuzzo asked what portion of the job is not

complete. Andy stated that final paving needs to be performed and the Authority will purchase asphalt through COSTARS and hire a subcontractor to perform the trench paving.

The Director of Operations then stated Board Member Eyerly had asked him how many manholes were acquired by the Authority and how many have been repaired to date. Andy Nowak responded that there are approximately 2,500 manholes in Hazleton City and 250 in West Hazleton Borough. He said so far 133 have been repaired and raised to street level in Hazleton and 22 in West Hazleton, which is about 5% of the total. He said the cost to repair a manhole ranges from a few hundred dollars for a shallow manhole to about \$4,000 for a square manhole that needs to be converted to round and raised a few feet. Board Member Milot asked if the Road Crew would continue to work on these manhole repairs. Andy stated that the Road Crew would continue to address manhole repairs as time permits with a concentration in the Hazleton Heights - Button Buck Drainage Basin or before street paving projects. He said Hazleton City Authority (HCA) contracted the full street paving separately following completion of their water line upgrades, but raising manholes was not part of the contract. Board Member Cuzzo stated that someone should talk with representatives in the City to see if they would stop paving over the manholes. Andy stated that the City was already contacted and was asked not to pave over the manholes. He said it is also contained in the acquisition agreements.

George & Milot moved to accept the Director of Operations report and to have the written report on diverted flows made a permanent part of the record. Passed: Aye-8, Nay-0, Absent-1

Engineer's Report – Christopher Carsia informed the Board that the front of the Control Building has been sealed with plastic since the Rotary Presses were moved into the sludge department a few years ago. He said the Brian Kauffman has been asked to look at options to replace the original panels on the building and he is requesting the Board authorize Brian to prepare a bid specification to have the work performed. Brian Kauffman stated that “Kalwall” panels would be an option because the panels need to be removable for future equipment replacement. He said a row of windows near the bottom would also be needed for ventilation.

Andy Nowak reported that line flushing has been completed on the Mill Street feeder line to the Gashouse Pump Station. He said cleaning of the wet well still needs to be completed. Andy then reported that a sinkhole was fixed on Allen Street between Jefferson and Adams Streets in West Hazleton. He said there was a clay pipe discharging into a stone arch and there was no damage found to the sewer pipe so it was backfilled with flowable fill. He said West Hazleton Borough completed the asphalt paving. Andy also reported that the quarterly CAP activities were sent to Scott Novatnak at DEP.

Gregory Olander reported that the annual nitrogen limits were met for compliance year 2014. He said even with partial operation of the nitrification system since the end of March 2014, the Authority discharged under the permit limit by 24,021 lbs for total nitrogen. He said the total phosphorus discharge was recorded at 4,553 lbs below annual permit limits.

Brian Kauffman reported that the Elevator Modernization contractor was waiting for parts to begin work. He said two options have been developed for installation of a screening mechanism at Gashouse Pump Station and they have been sent to Duperon Corporation for their review. He said the SCADA RFP would be ready for the next meeting; however, items need to be pulled out of the project so quotes can be received to begin the work as quickly as possible for startup of

Rotary Press #3 and the Sludge Cake Pumps. He informed the Board that the NPDES Permit has still not been issued by DEP so the Authority continues to operate under a permit extension. He then reported on the structural repair of the Nitrification/Denitrification structures. He said the sub-contractor is waiting for C.O. Falter to erect scaffolding in the pipe galleries so repairs can be made to the ceilings. Brian then stated that the payment estimates to Infilco Degremont, Inc. (IDI) and Pioneer Construction, Inc. are on the agenda for the Board's consideration. He recommended payment of both payment estimates. Board member Cuozzo asked how long it would take to get the elevator parts. Brian responded that he recalls a three month timetable for the contractor to receive the parts. He said they should have them by the end of November; then they need to build the control panel.

Robert Dougherty presented the Board with a summary sheet for work performed in September and October. He said camera work was performed on the sewers in Hazleton City and West Hazleton Borough as listed in the summary. He said the sewers in West Hazleton contain a lot of debris and require flushing. He then reported that he received confirmation from Norfolk Southern that the application for plan review was received. He also reported that As-built information was received from PennDOT for the Broad & Hazle Street Drainage design work.

Grink & Fay moved to accept the Engineer's report.

Passed: Aye-8, Nay-0, Absent-1

Solicitor's Report – In addition to what was reported in Executive Session at the Work Session, Attorney Ustynoski reported that he prepared a commercial lease for the land and garage area owned by Harold Karchner that the Authority is using for storage of materials and equipment. He said it was hand delivered to Mr. Karchner. He said insurance coverage is an important part of a commercial lease. He said although the Authority has \$1 million commercial liability coverage with a \$5 million umbrella, the Authority's insurance underwriter suggested increasing the commercial liability coverage to \$2 million in case a piece of equipment catches fire and damages the building. He recommended increasing the coverage as suggested, which requires additional questions regarding building construction to be answered for the insurance company. He also asked the Board to call a Punch List Committee Meeting for an update by Gannett Fleming on open issues with the 2008 WWTP Upgrade.

Carsia & Grink moved to accept the Solicitor's report. Passed: Aye-8, Nay-0, Absent-1

Fay & Milot moved to accept the Investment Consultant's Report as presented.

Roll Call: Boyarski-yes, Carsia-yes, Cuozzo-yes, Eyerly-absent, Fay-yes, George-yes, Grink-yes, Milot-yes, Veneroso-yes

BILLS AND CREDITS

George & Fay moved to approve payment of Gannett Fleming, Inc. invoices and requisitions from July 26, 2014 through August 22, 2014, totaling \$14,393.34 as listed in the following table:

<u>Requisition #</u>	<u>Invoice #</u>	<u>Description</u>	<u>Amount</u>
Operating Fund	051153.A*8-34	Annual Services Work	\$ 8,040.54
Operating Fund	051153.B*8-35	Attending Authority Meetings	\$ 603.86
A460	048847.C0*8-33	Incinerator Design	\$ 4,393.37
C152	048847.B*8-32	WWTP Upgrade Construction Phase	\$ 1,355.57
Total			\$ 14,393.34

On the Question: Board Member Grink asked what was included in Annual Service Work. Christopher Carsia responded that it includes services for various projects being worked on such as the Elevator Modernization and the Gashouse Pump Station Screen evaluations.

Roll Call: Boyarski-yes, Carsia-yes, Cuozzo-yes, Eyerly-absent, Fay-yes, George-yes, Grink-yes, Milot-yes, Veneroso-yes

Carsia & Grink moved to approve Requisition #A461 payable to RJD Engineering, Inc., totaling \$12,315.87, for Project #14-103, invoice dated September 30, 2014, for fieldwork and materials associated with the mapping, investigation, and design for the Button Buck CSO Separation Project from September 1, 2014 to September 30, 2014.

Roll Call: Boyarski-yes, Carsia-yes, Cuozzo-yes, Eyerly-absent, Fay-yes, George-yes, Grink-yes, Milot-yes, Veneroso-yes

George & Carsia moved to approve Requisition #A462, payable to Infilco Degremont, Inc., totaling \$100,000.00, for Invoice #1109664-408681, Payment Estimate #9, which represents payment for Change #2 Supplement #4 of the Fluidized Bed Incinerator Procurement Contract. The original Purchase price was \$8,133,874.00, add for Change Orders #1 thru #3 (3,770,000.00) for a Total Project Cost of \$11,903,874.00. The total of payments made to date including this payment is \$8,583,874.00, which leaves a balance of \$3,320,000.00.

Roll Call: Boyarski-yes, Carsia-yes, Cuozzo-yes, Eyerly-absent, Fay-yes, George-yes, Grink-yes, Milot-yes, Veneroso-yes

Milot & Boyarski moved to approve Requisition #A463, payable to Pioneer Construction, Inc., totaling \$37,980.90, for Payment Estimate #3 of the Sludge Cake Pump Installation Contract as per the recommendation of the engineer. Original Bid amount was \$185,800.00, add for Change Order #1 (\$2,035.00) for a Total Contract Price of \$187,835.00. Total of payments made to date including this payment is \$133,497.90, which leaves a balance of \$54,337.10.

Roll Call: Boyarski-yes, Carsia-yes, Cuozzo-yes, Eyerly-absent, Fay-yes, George-yes, Grink-yes, Milot-yes, Veneroso-yes

Carsia & Grink moved to authorize payment from the Operating Fund in the amount of \$660,701.64, for Operating and Administrative Expenses (\$482,947.26); Construction in Progress (\$8,270.88); Transfers to Other Authority Accounts (\$5,916.35); Pennvest Loan #27769 (\$158,666.52); Pennvest Loan #74119 (\$1,473.64); and Pennvest Loan #58103 (\$3,426.99) from the month of September 2014.

Roll Call: Boyarski-yes, Carsia-yes, Cuozzo-yes, Eyerly-absent, Fay-yes, George-yes, Grink-yes, Milot-yes, Veneroso-yes

Fay & Milot moved to approve issued credits totaling \$4,279.92 from month of September 2014.

On the Question: Board Member Grink asked about the credit issued for a Judicial Sale. Attorney Ustynoski responded that a Judicial Sale is the last form of tax sale by the county and all prior liens and judgments are removed up to the date of the sale. Gregory Olander stated that the Authority provides Northeast Revenue Service amounts due on each account prior to an Upset Sale and when a property is sold, the sewer fees are recoverable. He then said if a property is not sold and taxes are not paid it moves to a Judicial Sale and all liens are written off unless there are surplus monies available from the sale.

Roll Call: Boyarski-yes, Carsia-yes, Cuzzo-yes, Eyerly-absent, Fay-yes, George-yes, Grink-yes, Milot-yes, Veneroso-yes

NEW BUSINESS

Cuzzo & George moved to authorize Gannett Fleming to prepare bid specifications for rehabilitation of the front façade of the Control Building, which will include windows and removable panels to allow for replacement of equipment in the future.

Roll Call: Boyarski-yes, Carsia-yes, Cuzzo-yes, Eyerly-absent, Fay-yes, George-yes, Grink-yes, Milot-yes, Veneroso-yes

George & Fay moved to approve the purchase of 210 linear feet of CONTECH 96" diameter, 12 gauge, polymer coated corrugated metal pipe and connecting bands through the State DGS/COSTARS Program (Contract #016-026) from L/B Water Service, Inc. for the purchase price of \$41,200.00.

On the Question: Board Member Cuzzo asked if this pipe being purchased was the better pipe. Andy Nowak responded that the other pipe is expected to last 200 years and this pipe is expected to last 75 years, but the other pipe is \$60,000 more expensive than the pipe being recommended for purchase.

Roll Call: Boyarski-yes, Carsia-yes, Cuzzo-yes, Eyerly-absent, Fay-yes, George-yes, Grink-yes, Milot-yes, Veneroso-yes

Board Member Cuzzo asked the cost of the asphalt paving in the opening from the Administration parking lot to the property at 50 Jaycee Drive. Andy Nowak responded that 60 ton of asphalt was purchased directly under COSTARS at \$55.00 per ton and Northeast Excavation provided the paver and labor for the work, which is estimated to be \$2,500.00.

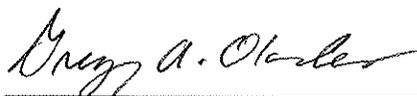
Milot & Carsia moved to adjourn. Passed: Aye-8, Nay-0, Absent-1

The meeting was adjourned at 8:10 PM.

The next regularly scheduled Work Session will be Wednesday, November 19, 2014 at 7:00 PM.
The next regularly scheduled monthly meeting will be Monday, November 24, 2014 at 7:30 PM.

Respectfully submitted,

Greater Hazleton Joint Sewer Authority



Gregory Olander, Assistant Secretary