

The June 27, 2016 regular monthly meeting of the Greater Hazleton Joint Sewer Authority was called to order by Chairman George at 7:30 PM. All in attendance gave a pledge of allegiance.

Roll Call:

Boyarski – Present	*Carsia – Absent	Cuozzo – Present
Fay – Present	Fayock – Present	George – Present
Grink – Present	*Milot - Absent	Sherrock – Present

Also in Attendance:

Christopher Carsia – Director of Operations	Gregory Olander – Operations Manager
Andy Nowak – Field Operations Manager	Attorney Joseph D. Ustynoski – Solicitor
*Brian Kauffman, P.E. – Gannett Fleming	

\*In attendance during the Work Session

**PUBLIC COMMENT**

There was no public comment.

**Cuozzo & Grink** moved to approve the minutes of the May 23, 2016 Regular Monthly Meeting. Passed: Aye-7, Nay-0, Absent-2

**Sherrock & Fay** moved to approve the minutes of the May 18, 2016 Pension Meeting. Passed: Aye-7, Nay-0, Absent-2

**OPENING OF BIDS FOR ULTRA LOW SULFUR DIESEL FUEL**

BIDDERS NAME	TOTAL
Russell Postupack Oil Co., Inc. McAdoo, PA	Terminal Rack Price plus \$0.18 per gallon delivered
Superior Plus Energy Services Aston, PA	Terminal Rack Price plus \$0.15 per gallon delivered

**Sherrock & Fay** moved to table the bid for Ultra Low Sulfur Diesel Fuel for Fiscal Year 2016-2017 pending review by Management and the Engineer.

Roll Call: Boyarski-yes, Carsia-absent, Cuozzo-yes, Fay-yes, Fayock-yes, George-yes, Grink-yes, Milot-absent, Sherrock-yes

**OPENING OF BIDS FOR WASTEWATER CHEMICALS**

BIDDERS NAME	SODIUM HYPOCHLORITE	MAGNESIUM HYDROXIDE	POLYALUMINUM CHLORIDE	METHANOL	METHANOL ALTERNATIVE
Brenntag Northeast Reading, PA	NO BID	NO BID	NO BID	Fixed Adder +\$0.1257/gal	NO BID
Coburn Chemical, Inc. Cockeysville, MD	NO BID	\$588.00 per Dry Ton	NO BID	NO BID	NO BID

Coyne Chemical Croydon, PA	NO BID	NO BID	NO BID	Fixed Adder +\$0.28/gal	Fixed Adder +\$0.13/gal
Holland Company, Inc. Adams, MA	NO BID	NO BID	NO BID	NO BID	NO BID
Gulbrandsen Technologies Clinton, NJ	NO BID	NO BID	\$0.14 per Wet lb. GC 7502	NO BID	NO BID
Kemira Water Solutions Lawrence, KS	NO BID	NO BID	\$0.1717 per Wet lb. PAX-XL14	NO BID	NO BID
Kuehne Chemical Co. Kearney, NY	\$1.60/gal	NO BID	NO BID	NO BID	NO BID
Main Pool & Chemical Dupont, PA	\$0.97/gal	NO BID	NO BID	NO BID	NO BID
Univar USA, Inc. Middletown, PA	\$1.15/gal	NO BID	\$0.1832 per Wet lb. DeIPAC 1525	Fixed Adder +\$0.107/gal	NO BID

**Sherrock & Fay** moved to table the Wastewater Chemicals bids for Fiscal Year 2016-2017 pending review by Management and the Engineer.

Roll Call: Boyarski-yes, Carsia-absent, Cuzzo-yes, Fay-yes, Fayock-yes, George-yes, Grink-yes, Milot-absent, Sherrock-yes

**Director of Operations Report - MONTHLY FLOW REPORT**

	<u>May 2016</u>		<u>Year to Date</u>		
			<u>Total</u>		<u>Average</u>
<b>Total Flow</b>	<u>263,302,996</u>	<b>Gallons</b>	<u>1,396,399,720</u>	<b>Gallon</b>	<b>xxxxx</b>
<b>Total Flow Bypassed</b>	<u>4,998,668</u>	<b>Gallons</b>	<u>51,375,846</u>	<b>Gallon</b>	<b>xxxxx</b>
<b>Days Flow Bypassed</b>	<u>7</u>	<b>Days</b>	<u>18</u>	<b>Days</b>	<b>xxxxx</b>
<b>Total Flow Treated</b>	<u>258,304,328</u>	<b>Gallons</b>	<u>1,345,023,874</u>	<b>Gallon</b>	<b>xxxxx</b>
<b>Average Minimum</b>	<u>5.8</u>	<b>MGD</b>	<b>xxxxx</b>	<b>xxxxx</b>	<u>6.3</u> <b>MGD</b>
<b>Average Maximum</b>	<u>14.9</u>	<b>MGD</b>	<b>xxxxx</b>	<b>xxxxx</b>	<u>13.7</u> <b>MGD</b>
<b>Average Daily Flow</b>	<u>8.3</u>	<b>MGD</b>	<b>xxxxx</b>	<b>xxxxx</b>	<u>8.8</u> <b>MGD</b>

Christopher Carsia, the Director of Operations, reported on the wastewater flows for May 2016. He said the total volume of wastewater diverted from all point sources for the month was estimated to be 49.379 million gallons with approximately 4.998 million gallons of treated outflow diverted at the treatment plant. He said approximately 3.462 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 263.3 million gallons with 258.3 million gallons treated. He also stated that the average daily flow to the treatment plant for the month was 8.3 MGD and the average daily flow for the year decreased slightly to 8.8 MGD.

The Director of Operations reported that revenues for May 2016 were \$1,128,187.76 which is an increase of 2.9% from the prior year. He said the bills issued for hauled waste received in May totaled \$120,284.31, which is a decrease of 10.6% from the prior year. He stated that the hauled waste revenues have been lower due to the loss of a few larger accounts and he said the \$1.55 million in hauled waste revenues that was projected for the fiscal year may come in slightly lower. He then reported that the overall customer revenues were on pace to meet or exceed projections for the year. Board Member Sherrock asked why overall revenues were still on pace with the hauled waste revenue down for the year. Gregory Olander responded that the delinquent collections have been very good again this year partly due to the Hazleton City Authority installing water meters that can be turned off remotely in properties that could not previously be turned off due to a shared water service line. He also noted that since the Authority started accepting credit cards it has given delinquent customers another payment option and the office has seen a sharp increase in credit card payments during the delinquent processing months.

The Director of Operations then reported on a contract extension to purchase cationic polymer from Polydyne, Inc. He said they were willing to extend the contract for liquid and dry cationic polymer through July 31, 2017. He noted that they actually reduced the price by \$0.03 per pound for both products most likely due to a decrease in shipping costs from lower crude oil prices. He recommended continuing to purchase through Polydyne through the contract extension.

The Director of Operations then reported that he expects to gain Environmental Recovery Corporation (ERC) as a hauled waste customer in the near future; however, they fall under the federal Categorical Regulations as a Central Waste Hauler and they must be regulated under the Authority's Industrial Pretreatment Program. He said they would be discharging treated compressor condensate water at the treatment plant.

The Director of Operations also reported that Weis Markets was contacted regarding purchase of gasoline. He said the Weis location is more accessible for Authority vehicles due to its close proximity to the treatment plant rather than drive across town to the Heights section to refuel. He said the gasoline suppliers require 7 day payment terms, which may be an issue because the Authority needs to have monthly terms. Board Member Cuozzo suggested prepaying initially to establish a balance on the account. The Board agreed that would be an avenue to pursue if Weis Markets will not agree to monthly payment terms.

The Director of Operations reported on repairs made by the Road Crew. He said the job on N. Wyoming Street to fix a depression caused by a broken storm water line went well and took only 2 days to complete. He said another repair to a stormwater transition line was completed at Berner and Mill Streets in Hazleton City. He said flowable fill was used for backfill material and the job also took only 2 days to complete. He said the Road Crew is cleaning the CSO Separator at the treatment plant headworks to remove grit and debris that accumulated over the past few months. He said large quantities of grit were dumped at the CSO station from the recent dredging of the main lines in Hazleton. Andy Nowak stated that he was able to split the crews due to the newly hired Heavy Equipment Operator. He said the new Road Crew employee is currently working in the Vac Truck doing a major cleaning of the West Heights section to Wyoming Street. Andy reported that repairs have also been made to a manhole on Broad Street in West Hazleton and another behind Eli's Restaurant. Andy then reported that the Road Crew would be starting a repair to the 48-inch corrugated metal pipe at the Terminus of Black Creek Interceptor, which is a CSO Outfall.

The Operations Manager, Gregory Olander, reported that the new Fats, Oils, and Grease (FOG) treatment system is getting closer to completion. He said equipment is in place and the concrete tank was core drilled for installation of piping into the tank. He then reported that the billing office continues its delinquent customer collection. He said the final water shutoffs are scheduled at the end of July and so far they are going very well this year. Gregory then reported that the VZRscada Project is complete and all six pump stations are now integrated with the plant SCADA system. He said in addition, the Maintenance Department has a tablet, which shows operational aspects of the remote pump stations in real time.

The Director of Operations then reported that the potable water bill for this past month was almost double its normal level for the treatment plant. He said the Chief Operator reported that cleaning of the final clarifiers and launder covers took place during the month, which used a lot of city water. He said in addition, a leak was identified at the secondary clarifier #2 scum pit. He said the leak is small at this time, but it needs to be investigated further to determine why it is leaking. He said the structure is 50 years old and the tank will be taken out of service in August for investigation.

**Grink & Fayock** 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-7, Nay-0, Absent-2

**Engineer's Report** – Brian Kauffman reported that he continues to prepare the bid specifications for a plant water control panel. He said a request for determination for the Authority's generators at the treatment plant was received from DEP and they agreed that the generators do not require permitting. He also reported that his firm is preparing a revised CAP to consolidate the individual CAPs from the Authority, City of Hazleton, and West Hazleton Borough. He said a new schedule would also be developed in the consolidated CAP. He then reported that the Authority's NPDES Permit has still not been received from DEP. He stated that drawings were prepared for the Gashouse Pump Station screen and sent to the manufacturer for review. He said final completion documents were prepared for the 2008 WWTP Upgrade Project (Contract 1). Brian then reported that he continues to work on the bid specifications for the Incinerator installation. He said the a few modifications would be incorporated into the plans from information received at the Incinerator Conference in Kansas City. He said a wash system will now be installed to flush contaminants from the granulated activated carbon (GAC). He said this is expected to extend the life of the carbon so it does not need to be changed as frequently. He said the plant tour was at the Little Blue Valley Sewer District near Kansas City, who has a 60 dry ton per day incinerator. He said they did not initially install the necessary air quality equipment, but they have now entered a consent order and agreement with their state regulators to install the equipment within the next 4 years. Gregory Olander noted that the cost of their additional air quality equipment is expected to be \$20 million, all of which is an unfunded capital project. Brian then said he should have the bid specifications complete by September or October.

Andy Nowak reported on behalf of Robert Dougherty of RJD Engineering, Inc. He said underground boring work at the rail yard is the next phase of the Button Bock CSO Separation Project - West. He said the contractor is scheduled to do the boring at the end of July. He said the Paving Contractor, Doli Construction, is expected to begin work in mid-July. He said it is expected to take approximately 2 to 3 weeks. He then reported that RJD Engineering has been posting notices for removal of roof drains and sump pumps from the sanitary sewer system in

Area 1. He said this work will be performed over the summer months and a few hundred houses need to be inspected to determine if the rain leader drains or sump pumps are illegally connected to the sanitary sewer. He said the property owners have the opportunity to remove the connections; however, if they do not comply, the Authority could perform the work and invoice the property owner.

Andy then reported that he received a price through COSTARS for a vibratory roller for use in the collection system. He recommended the Board approve the purchase, which is on the agenda for consideration.

**Fayock & Sherrock** moved to accept the Engineer’s report. Passed: Aye-7, Nay-0, Absent-2

**Solicitor’s Report** – Attorney Ustynoski stated that several liens have been satisfied, many of them were due to the new remote meters being installed by the Water Authority. He reported that he reviewed the documents generated by Gannett Fleming for final closeout of the 2008 WWTP Upgrade Contract 1 with C.O. Falter Construction, Inc. He reported that he and the Operations Manager spoke with Rachel Govelovich at Gannett Fleming concerning a plan for final closeout of the Pennvest loan for the 2008 WWTP Upgrade Project. He said a litigation letter is needed as part of the documents to satisfy Pennvest, so he asked Rachel to prepare a few bullet points to be included in the letter. He then recommended the Board proceed with the study of the overall Pension program including MMO and Liability amounts as recommended by Peter Karapalu of Beyer Barber, the Authority’s Actuarial Consultant. Board Member Sherrock noted that overall the Authority is not in bad shape, but it could be better funded. He said the lack of returns for several years is the main reason for the plan being distressed. Board Member Cuozzo asked what the Actuarial Consultant felt about the pension discussions in the state legislature. Board Member Sherrock responded that the topic was not discussed.

**Fayock & Sherrock** moved to accept the Solicitor’s report. Passed: Aye-7, Nay-0, Absent-2

**Grink & Boyarski** moved to accept the Investment Consultant’s Report as presented.

Roll Call: Boyarski-yes, Carsia-absent, Cuozzo-yes, Fay-yes, Fayock-yes, George-yes, Grink-yes, Milot-absent, Sherrock-yes

**BILLS AND CREDITS**

**Cuozzo & Grink** moved to approve payment of Gannett Fleming, Inc. invoices and requisitions from April 1, 2016 through April 29, 2016, totaling \$11,922.95 as listed in the following table:

<u>Requisition #</u>	<u>Invoice #</u>	<u>Description</u>	<u>Amount</u>
Operating Fund	051153.A*15416	Annual Service Work	\$ 7,660.84
Operating Fund	051153.B*15417	Attending Authority Meetings	\$ 647.83
Operating Fund	048847.CO*16773	Incinerator Design	\$ 3,614.28
Total			\$ 11,922.95

Roll Call: Boyarski-yes, Carsia-absent, Cuozzo-yes, Fay-yes, Fayock-yes, George-yes, Grink-yes, Milot-absent, Sherrock-yes

**Cuozzo & Sherrock** moved to approve Requisition #C168, payable to Michael F. Ronca & Sons, Inc., totaling \$99,218.29, for Payment Estimate #6 of the Button Bock CSO Separation Project – West as recommended by RJD Engineering. The original contract price was \$1,447,000.00, add for Change Orders of 1&2 (\$138,462.90) for a total contract price of \$1,585,462.90. The total of payments made to date including this payment is \$1,258,775.91, which leaves a balance of \$326,686.99

Roll Call: Boyarski-yes, Carsia-absent, Cuozzo-yes, Fay-yes, Fayock-yes, George-yes, Grink-yes, Milot-absent, Sherrock-yes

**Fayock & Sherrock** moved to approve Requisition #C169, payable to PACT Construction, Inc., totaling \$12,000.00, for Payment Estimate #4 (FINAL) of the Button Bock CSO Separation Project – East and to start the warrantee period as of June 1, 2016 as recommended by RJD Engineering. The original contract price was \$730,000.00. Adjust for Change Orders 1, 2, & 3 (\$65,000.00) for a Total Project Cost of \$795,000.00. The total of payments made to date including this payment is \$795,000.00, which leaves a zero balance

Roll Call: Boyarski-yes, Carsia-absent, Cuozzo-yes, Fay-yes, Fayock-yes, George-yes, Grink-yes, Milot-absent, Sherrock-yes

**Fay & Sherrock** moved to approve Requisition #C170, payable to C.O. Falter Construction Corp., totaling \$55,945.61, for Payment Estimate #33 (FINAL) of the 2008 WWTP Upgrade Contract One (General Construction) as recommended by the engineer. The original contract price was \$28,321,101.00, adjust for Change Orders #1 to #37 (\$748,706.34) for a Total Contract Price of \$29,069,807.34. The total of payments made to date including this payment is \$29,069,807.34, which leaves a zero balance

Roll Call: Boyarski-yes, Carsia-absent, Cuozzo-yes, Fay-yes, Fayock-yes, George-yes, Grink-yes, Milot-absent, Sherrock-yes

**Cuozzo & Boyarski** moved to authorize payment from the Operating Fund in the amount of \$1,161,093.12 for Operating and Administrative Expenses (\$570,156.54); Construction in Progress (\$89,494.43); Debt Service Series 2012-A Bond (\$164,250.00); Debt Service Series 2012-B Bond (\$173,625.00); Pennvest Loan #27769 (\$158,666.52); Pennvest Loan #74119 (\$1,473.64); and Pennvest Loan #58103 (\$3,426.99) from the month of May 2016.

Roll Call: Boyarski-yes, Carsia-absent, Cuozzo-yes, Fay-yes, Fayock-yes, George-yes, Grink-yes, Milot-absent, Sherrock-yes

**Grink & Boyarski** moved to approve issued credits totaling \$17,667.32 from month of May 2016.

Roll Call: Boyarski-yes, Carsia-absent, Cuozzo-yes, Fay-yes, Fayock-yes, George-yes, Grink-yes, Milot-absent, Sherrock-yes

## **NEW BUSINESS**

**Cuozzo & Fay** moved to approve the purchase of one (1) Atlas-Copco Dynapac Vibratory Tandem Roller, model CC-900G, including a Bri-Mar Single Axle Tilt Trailer, model T512-S, for the purchase price of \$18,908.75 from Best Line Equipment Company of Allentown, PA, through DGS State Contract #4400011414 (CoStars), for use by the Collection System Division.

Roll Call: Boyarski-yes, Carsia-absent, Cuozzo-yes, Fay-yes, Fayock-yes, George-yes, Grink-yes, Milot-absent, Sherrock-yes

**Boyarski & Fayock** moved to approve the transfer of \$135,200.00 from the Operating Fund to the Operating Reserve for fiscal year ended July 31, 2016.

On the question: Board Member Cuozzo asked why these transfers are on the agenda for approval at this time. Gregory Olander responded that the transfers need to take place before the end of the fiscal year and he wanted to get the Board's approval so he could make the transfers earlier in July.

Roll Call: Boyarski-yes, Carsia-absent, Cuozzo-yes, Fay-yes, Fayock-yes, George-yes, Grink-yes, Milot-absent, Sherrock-yes

**Grink & Fay** moved to approve the transfer of \$165,000.00 from the Operating Fund to the Money Market Account for Depreciation Expense for fiscal year ended July 31, 2016.

Roll Call: Boyarski-yes, Carsia-absent, Cuozzo-yes, Fay-yes, Fayock-yes, George-yes, Grink-yes, Milot-absent, Sherrock-yes

**Sherrock & Grink** moved to authorize Beyer-Barber, the Authority's Employee Benefit and Actuarial Consultants, to perform a study and written report of the Authority's Overall Pension Program, including investment returns and projected MMO Deficit Amounts at an approximate cost of \$8,000.00. As the Study progresses, the Committee shall advise the Board if the cost is going to exceed the initial estimate.

On the question: Board Member Cuozzo asked if it was the proper time to perform this study due to the recent sharp decline in the markets. Board Member Grink responded that it is important to see where the plan is now and where we need to be. He said the plan is not going to consistently realize 7 ½% returns, which is the benchmark for the investment returns. He said we need to see where the MMO will be for planning purposes.

Roll Call: Boyarski-yes, Carsia-absent, Cuozzo-no, Fay-yes, Fayock-yes, George-yes, Grink-yes, Milot-absent, Sherrock-yes

**Boyarski & Grink** moved to adjourn. Passed: Aye-7, Nay-0, Absent-2

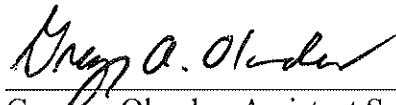
The meeting was adjourned at 8:20 PM

The next regularly scheduled Work Session will be Wednesday, July 20, 2016 at 7:00 PM.

The next regularly scheduled monthly meeting will be Monday, July 25, 2016 at 7:30 PM.

Respectfully submitted,

**Greater Hazleton Joint Sewer Authority**



Gregory Olander, Assistant Secretary