

The July 25, 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 observed a moment of silence due to the passing of Board Member Eugene Carsia. All in attendance then gave a pledge of allegiance.

Roll Call:

Boyarski – Present	Cuozzo – Present	*Fay – Absent
*Fayock – Absent	George – Present	Grink – Present
Milot – Present	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	*Rachel Govelovich, P.E. – Gannett Fleming
*Jeffrey Raffensperger, P.E. – Gannett Fleming	*Robert Dougherty, P.E. – RJD Engineering
	*In attendance during the Work Session

PUBLIC COMMENT

There was no public comment.

Milot & Sherrock moved to approve the minutes of the June 27, 2016 Regular Monthly Meeting. Passed: Aye-6, Nay-0, Absent-2

The Operations Manager, Gregory Olander, presented the final revenues and expenses for Fiscal Year 2015-2016. He reported that the overall expenses for the fiscal year were within the original budget; however, the treatment plant expenses should exceed budget by approximately \$169,000 and the Collection System Division expenses are expected to be under budget by approximately the same amount. He said this has become a trend each year due to the treatment plant expenses supporting the collection system division is areas including but not limited to property & casualty insurance, worker’s compensation insurance, pension contribution, and other administrative expenses. He said revenues are expected to exceed projections by about \$124,000 partly due to revenue realized from the new high strength wastewater surcharge program and good customer collections. He also noted that capital purchases were under budget by about \$46,000. Gregory then summarized the revenues and expenses of the Collection System Division. He said \$1,820,219 was billed this fiscal year and following the expenses, capital purchases, debt service, repayment to the treatment plant, and payment of the Button Bock CSO Project, the Collection System Division expenditures exceeded revenues by \$360,949 for the fiscal year, which he recommends transferring from the Collection System Reserve to the Operating Fund.

Gregory then presented the budget for Fiscal Year August 1, 2016 through July 31, 2017. He said the Treatment Plant budget in the amount of \$9,855,400 is an increase of \$58,300 from last year. He said there are differences in the various line items most notably decreases to Electrical Power (-\$32,000), Methanol (-\$40,000), and Biosolids Removal & Disposal (-\$50,000) and increases to Cationic Polymer (+\$40,000), Maintenance & Repairs (+\$75,000), Pension Contribution (+\$47,500) and Payroll (+\$50,000) consistent with last year’s expenses. He explained that treatment plant revenues are projected to be \$9,856,297, which includes the final repayment to the treatment plant funds from the Collection System Division for collection system expenditures between 2009 and 2012. He said the overall Collection System Budget includes Expenses & Debt Service (\$1,197,700), Capital Purchases (\$190,000), and matching

funds to complete the Authority’s portion of the Button Bock CSO Project, which is anticipated to be about \$300,000. He said projected customer revenues of \$1,825,000 and a Collection System Reserve balance of \$395,048 are expected to fund the Collection System Division for the fiscal year.

Sherrock & Cuozzo moved approve the Fiscal Year August 1, 2016 to July 31, 2017 Operating Budget for the Treatment Plant and Collection System Division as presented by Authority Management.

On the Question: Board Member Cuozzo asked to clarify that there would be no rate increase this fiscal year. Gregory responded that there are sufficient revenues to cover the Operating and Administrative budget for the treatment plant and collection system division this fiscal year; however, when the bids are received for the Incinerator Installation Project, the Authority will need to borrow money to complete that project. He said the borrowing will increase the Authority’s debt service and a rate increase will most likely be needed. He said the rates would need to be looked at when the project cost is better known.

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

Director of Operations Report - MONTHLY FLOW REPORT

	<u>June 2016</u>		<u>Year to Date</u>		
			<u>Total</u>		<u>Average</u>
Total Flow	<u>208,910,611</u>	Gallons	<u>1,605,310,331</u>	Gallon	xxxxx
Total Flow Bypassed	<u>5,400,734</u>	Gallons	<u>56,776,580</u>	Gallon	xxxxx
Days Flow Bypassed	<u>5</u>	Days	<u>23</u>	Days	xxxxx
Total Flow Treated	<u>203,509,877</u>	Gallons	<u>1,548,533,751</u>	Gallon	xxxxx
Average Minimum	<u>4.4</u>	MGD	xxxxx	xxxxx	<u>6.0</u> MGD
Average Maximum	<u>13.8</u>	MGD	xxxxx	xxxxx	<u>13.7</u> MGD
Average Daily Flow	<u>6.8</u>	MGD	xxxxx	xxxxx	<u>8.5</u> MGD

Christopher Carsia, the Director of Operations, reported on the wastewater flows for June 2016. He said the total volume of wastewater diverted from all point sources for the month was estimated to be 86.961 million gallons with approximately 5.401 million gallons of treated outflow diverted at the treatment plant. He said approximately 6.362 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 208.9 million gallons with 203.5 million gallons treated. He also stated that the average daily flow to the treatment plant for the month was 6.8 MGD and the average daily flow for the year decreased slightly to 8.5 MGD.

The Director of Operations reported that revenues for June 2016 were \$1,078,327.39 which is a decrease of 6.0% from the prior year. He said the bills issued for hauled waste received in June totaled \$144,727.33, which is a decrease of 4.5% from the prior year. He then reported that the Fats, Oils, and Grease (FOG) receiving station and conversion of the old sludge holding tank to a grease digester was not yet complete. He said when the maintenance crew went into the tank to check piping connections; they found that the concrete inside the tank is badly deteriorated around the ceiling beams that support the cover. He said at a minimum the tank will need to be pressure washed and epoxy coated again, but a representative from a company that provides

concrete repair products for the PA Turnpike was also contacted for his opinion on a permanent repair. He said overall the project is about 90% complete.

The Director of Operations then reported on the repairs at the Terminus of Black Creek Interceptor CSO Outfall pipe. He said the Road Crew is currently replacing about 440 feet badly deteriorated corrugated metal 48-inch pipe. He said the project started as a small sinkhole, but the outfall pipe was found to be in need of complete replacement. He said the Authority's Road Crew employees are doing the work, which is being paid for out of the Collection System Division budget. Andy Nowak noted that two additional pipes were installed along with the 48-inch CSO pipe. He said Hazle Township provided 120 feet of 18-inch stormwater pipe to re-route their stormwater line so it does not washout the backfill around the CSO Outfall pipe. He said the property owner adjacent to the Outfall also provided pipe to convey the runoff from his property's roof drains to alleviate backups that he was experiencing. Christopher then informed the Board that there may be other problem areas due to the age of the system including the 60-inch outfall pipe several blocks west of the Hazleton Area High School, the Cranberry Force Main, and the Diamond Avenue Force Main.

The Director of Operations also reported that Weis Markets was contacted regarding purchase of gasoline. He asked that the Board authorize him to enter into an agreement with Weis Markets to purchase gasoline for the Authority vehicles with the approval of his report.

Sherrock & Boyarski moved to accept the Director of Operations report and to have the written report on diverted flows made a permanent part of the record.

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

Engineer's Report – Jeffrey Raffensperger informed the Board that the long time Project Manager, Brian Kauffman, had resigned from their firm. He stated that meetings were held to transition the Authority's projects to a team of employees in the various engineering disciplines with Rachel Govelovich serving as the new Project Manager for the Authority. He also stated that Brian has agreed to stay on with Gannett as an hourly employee to help with the transition due to his extensive knowledge of the Authority's system. He also noted that Rachel has experience in Authority and client management and she currently maintains three other clients. He said Mark Garlicki, P.E. would be assisting Rachel with technical aspects of treatment plant operations and design. He noted that the Incinerator bid specifications need to be completed for the October meeting so the team is being brought up to speed by Brian. Brian Kauffman then reported that he reviewed the chemicals bid and recommend awarding to the low bidders for each respective chemical. He then reported that a draft of the CAP revision would be sent to the Authority staff for review next week.

Robert Dougherty reported that the contractor for the Button Bock CSO West Separation Project scheduled the sub-contractor to begin work boring under the Norfolk Southern rail yard in August. He said the paving contractor, Doli Construction, began work on July 25th and the work is expected to take about two to three weeks to complete. 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 so far 111 notices have been sent and those properties inspected. He said 46 drains were removed from the ground to the surface and there are approximately 400 to 500 properties in the area that need to be inspected.

The Gannett Fleming representatives exited the meeting and the Board and Authority Management thanked Brian Kauffman for his many years of service for the Authority and wished him well on his new career path.

Boyarski & Sherrock moved to accept the Engineer’s report. Passed: Aye-6, Nay-0, Absent-2

Solicitor’s Report – Attorney Ustynoski reported that he began work on the litigation complaint against Grundfos now that the contract has been closed out with C.O. Falter. He then informed the Board that only one quote for \$92,094 was received for property and casualty insurance. He said the quote was with the incumbent carrier, Travelers Insurance using the same underwriter, Eastern Insurance Group. He noted that the coverage would be bound for the upcoming fiscal year since property and casualty insurance is a line item in the budget.

Milot & Sherrock moved to accept the Solicitor’s report. Passed: Aye-6, Nay-0, Absent-2

Boyarski & Milot moved to accept the Investment Consultant’s Report as presented.
 Roll Call: Boyarski-yes, Cuozzo-yes, Fay-absent, Fayock-absent, George-yes, Grink-yes, Milot-yes, Sherrock-yes

BILLS AND CREDITS

Cuozzo & Sherrock moved to approve payment of Gannett Fleming, Inc. invoices and requisitions from April 30, 2016 through May 27, 2016, totaling \$8,587.70 as listed in the following table:

<u>Requisition #</u>	<u>Invoice #</u>	<u>Description</u>	<u>Amount</u>
Operating Fund	051153.A*17991	Annual Service Work	\$ 771.06
Operating Fund	051153.B*17994	Attending Authority Meetings	\$ 546.47
Operating Fund	051153.AJ*17993	Wastewater Capacity Issues	\$ 3,396.76
Operating Fund	051153.AI*17992	ODMS Program Update	\$ 232.41
Operating Fund	048847.CO*17990	Incinerator Design	\$ 3,641.00
Total			\$ 8,587.70

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

Milot & Cuozzo moved to authorize payment from the Operating Fund in the amount of \$1,022,183.98 for Operating and Administrative Expenses (\$819,707.04); Construction in Progress (\$38,909.79); Pennvest Loan #27769 (\$158,666.52); Pennvest Loan #74119 (\$1,473.64); and Pennvest Loan #58103 (\$3,426.99) from the month of June 2016.
 Roll Call: Boyarski-yes, Cuozzo-yes, Fay-absent, Fayock-absent, George-yes, Grink-yes, Milot-yes, Sherrock-yes

Cuozzo & Grink moved to approve issued credits totaling \$3,668.14 from month of July 2016.
 Roll Call: Boyarski-yes, Cuozzo-yes, Fay-absent, Fayock-absent, George-yes, Grink-yes, Milot-yes, Sherrock-yes

OLD BUSINESS

Sherrock & Cuozzo moved to award the Ultra-Low Sulfur Diesel Fuel supply contract for August 1, 2016 through July 31, 2017 to the lowest bidder, Superior Plus Energy Services, for the wholesale terminal rack price plus a fixed adder of \$0.15 delivered as recommended by the Authority Management and Engineer.

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

Sherrock & Cuozzo moved to award the August 1, 2016 through July 31, 2017 chemicals contracts as specified in the bid documents to the lowest responsible bidders as recommended by the Engineer:

Sodium Hypochlorite	Main Pool & Chemical of Dupont, PA	\$0.97 per gallon
Polyaluminum Chloride (GC 7502)	Gulbrandsen Technologies of Clinton, NJ	\$0.14 per wet lb.
Methanol	Univar USA of Middletown, PA	\$0.107 per gallon fixed adder to Methanex Index
Methanol Alternative (EOSi - MicroC 3000)	Coyne Chemical of Croydon, PA	\$0.13 per gallon fixed adder to Methanex Index with a \$1.368 ceiling
Magnesium Hydroxide (Thioguard)	Coburn Chemicals of Cockeysville, MD	\$588.00 per dry ton

All pricing is FOB delivered to the treatment plant in West Hazleton, PA.

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

NEW BUSINESS

Milot & Grink moved to approve the transfer of \$360,949.00 from the “Collection System Reserve” Account to the Operating Fund.

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

Cuozzo & Boyarski moved to approve the purchase of one (1) Gorman-Rupp Model PA6C60-4045H 8”x6” portable diesel engine driven pump on DOT highway trailer assembly, accessories, and start-up as listed in quotation dated July 20, 2016, through the PA State COSTARS Program, for a purchase price of \$55,286.00 plus freight.

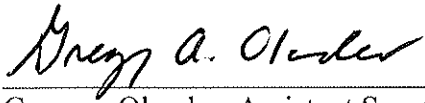
Roll Call: Boyarski-yes, Cuozzo-yes, Fay-absent, Fayock-absent, George-yes, Grink-yes, Milot-yes, Sherrock-yes

Chairman George stated that it is with great regret that he will need to appoint someone to fill the seat on the Pension Committee formerly held by Mr. Eugene Carsia. He then appointed Mr. Sherrock to the Pension Committee along with Board Members Grink and Milot. Mr. Sherrock accepted his appointment.

Sherrock & Milot moved to adjourn. Passed: Aye-6, Nay-0, Absent-2
The meeting was adjourned at 7:50 PM

The next regularly scheduled Work Session will be Wednesday, August 17, 2016 at 7:00 PM.
The next regularly scheduled monthly meeting will be Monday, August 22, 2016 at 7:30 PM.

Respectfully submitted,
Greater Hazleton Joint Sewer Authority



Gregory Olander, Assistant Secretary