

The December 19, 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 | Cuozzo – Present | Fay – Present |
| Fayock – Present | 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 |
| Robert Dougherty, P.E. – RJD Engineering | Rachel Govelovich, P.E. – Gannett Fleming |

*In attendance during the Work Session

PUBLIC COMMENT

There was no public comment.

Fay & Boyarski moved to approve the minutes of the November 21, 2016 Regular Monthly Meeting.

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

Fay & Milot moved to approve the minutes of the November 29, 2016 Special Meeting.

Passed: Aye-7, Nay-0, Absent-0; (Cuozzo abstained)

Sherrock & Milot moved to approve the minutes of the November 16, 2016 Pension Meeting.

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

Director of Operations Report - MONTHLY FLOW REPORT

| | <u>November 2016</u> | | <u>Year to Date</u> | | |
|----------------------------|----------------------|----------------|----------------------|---------------|------------------------|
| | | | <u>Total</u> | | <u>Average</u> |
| Total Flow | <u>158,907,565</u> | Gallons | <u>2,450,885,047</u> | Gallon | xxxxx |
| Total Flow Bypassed | <u>1,413,923</u> | Gallons | <u>68,301,488</u> | Gallon | xxxxx |
| Days Flow Bypassed | <u>2</u> | Days | <u>32</u> | Days | xxxxx |
| Total Flow Treated | <u>157,493,642</u> | Gallons | <u>2,382,583,559</u> | Gallon | xxxxx |
| Average Minimum | <u>2.8</u> | MGD | xxxxx | xxxxx | <u>4.7</u> MGD |
| Average Maximum | <u>8.2</u> | MGD | xxxxx | xxxxx | <u>11.8</u> MGD |
| Average Daily Flow | <u>5.2</u> | MGD | xxxxx | xxxxx | <u>7.1</u> MGD |

Christopher Carsia, the Director of Operations, reported on the wastewater flows for November 2016. He said the total volume of wastewater diverted from all point sources for the month was estimated to be 23.444 million gallons with approximately 1.414 million gallons of treated outflow diverted at the treatment plant. He said approximately 1.718 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 158.9 million gallons with 157.5 million gallons fully treated. He also stated that the average daily flow to the treatment plant for the month remains low at 5.2

MGD and the average daily flow for the year decreased again this month to 7.1 MGD, which is well below the 8.9 MGD permit limit.

The Director of Operations then reported that the revenues for November 2016 were \$912,185.54 which is an increase of 5.7% from the prior year and bills issued for hauled waste received in November totaled \$123,054.42. He said both hauled waste billings and overall revenues were on pace with projections for the current fiscal year. Christopher stated that the accounts receivable collections have been fairly good so far. Board Member Sherrock asked why the accounts receivables were so good for the Sewer Authority. Gregory Olander responded that there is a strict delinquency policy that is followed and water service is terminated for customers that fall six months past due or more.

The Director of Operations reported that a meeting was held with Waste Management (WM) concerning the contract that is set to expire at the end of calendar year 2016. He said the WM representatives requested a contract increase consistent with the consumer price index increase, which was 1.6%. He said they have not increased their rates since the Authority began doing business with them several years ago. He also stated that there has been damage to their containers in the form of broken wheels or Bobcat forks puncturing the sidewall of their containers. He said they have been fixing the damage to this point, but they are requesting reimbursement for repairing any significant damage to their containers going forward. Christopher said that he thought their request was reasonable and agreed to pay for the fork damage and for some of the wheels. Gregory Olander then noted that the current tipping fees at the three landfills are: \$40.00 to Alliance (WM Landfill), \$46.75 to CES, and \$49.80 to Keystone.

The Director of Operations informed the Board that he received notice of the new health insurance premiums for calendar year 2017. He said there is a 12% increase to the premiums for the upcoming year. Board member Grink asked what the premium amounts were for a month. Gregory Olander stated that for single coverage the rate is just under \$600 per month and for family coverage the rate is just below \$1,650 per month. Christopher then reported that the Short Term Disability Insurance premium is also increasing by 40% due to high claims that have been paid over the past few years. He then reported that the Retiree Life Insurance premiums will also increase by 41% from the 2016 rates. He said this is of concern because it also affects the OPEB liability in the financial statements.

The Director of Operations reported that a DEP representative contacted him concerning the renewal of the NPDES Permit. He said the representative informed him that several parameters need to be resampled because DEP lowered the detection limits since the Authority submitted the renewal application back in 2012. He said that he will respond to DEP before the end of the year to answer his questions and then he expects to receive a draft of the new permit sometime in early 2017. Board Member Sherrock asked what the cost was for the permit. Christopher stated that historically DEP charged \$500 for the 5-year permit, but a few years ago they increased it to \$5,000 annually. Board Member Sherrock asked if the permit fee was in the operating budget. Gregory Olander noted that the NPDES Permit fee is accounted for in the budget.

The Director of Operations reported on a leak that developed in the corner of the primary pump station. He said the leak is at a corner joint and it has gotten much worse since it was originally identified. He said the joint was injected with an epoxy product to stop the leak, but a more

involved repair may be needed to permanently correct the problem. He said Gannett Fleming could look at the issue and make a recommendation for a repair. He also noted that groundwater is coming through the floor in the form of a spring in that pump station and he contacted Randy Cahalan at the Hazleton City Authority for suggestions on how to locate the source of the spring. He said Rachel Govelovich would also contact their hydrology department for suggestions.

The Field Operations Manager, Andy Nowak, reported that the cleaning and inspection of sewer lines has increased. He said 6 ½ miles of lines were cleaned so far in 2016 and 3 ½ miles of pipe was inspected and televised during the year. He said they are finding badly deteriorated sections of pipe throughout the City and Borough, which will be prioritized for repairs.

Board Member Grink reported on the investments in the pension accounts. He said the pension accounts have done well over the past seven weeks and the investment advisor took profits by selling some of the investments to increase the cash position for payment to pensioners. He said there is enough cash in the active assets account to pay the pensioners until about June 2017.

Fayock & Grink 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-0

Engineer's Report – Rachel Govelovich reported that the design work is continuing on the Plant Water System Upgrade. She said a PA Small Water and Sewer System Program grant application was submitted for this project and reviewed by DCED staff. She said her firm is addressing questions and a request for additional information. She noted that the CFA meeting is scheduled for March 23, 2017, which would be the earliest a decision would be made for this grant. She then informed the Board that the two LSA Grant applications were drafted and ready to be submitted prior to the December 31, 2016 deadline.

Rachel then reported that DEP contacted the Authority concerning the new NPDES Permit for the treatment plant. She stated that DEP asked questions about monitoring because they lowered the minimum detection limits for some parameters. She said the Authority needs to re-sample for those parameters and then send the results to DEP.

Rachel reported on the follow up inspection by DEP to close the 2008 WWTP Upgrade Project with Pennvest. Gregory Olander commented that during that final file inspection, the DEP representative found a lapse in the contract time for Contract 4 (Electrical). He said a time extension change order was prepared by Gannett Fleming and was already signed by the contractor. He said the document would be signed by Rachel and Chairman George so it can be sent to DEP this week. He said it is the last piece of paperwork due to DEP and he expects the project to be closed following its receipt. Rachel then stated that a completion certificate form was filled out and needs to be signed and sent to DEP to close the Part II Water Quality Management Permit for this project.

Rachel then followed-up on a question from the November 2016 meeting concerning possible changes to the Air Quality Regulations due to a new Presidential Administration. She said the Gannett Fleming air quality expert, Jasmine Sodeman and Gene Koontz were consulted and they believe there air quality regulations for incinerators are not likely to be repealed.

Rachel informed the Board that design work continues on the Incinerator Installation Project and there have been some developments since the last Board meeting. She said a pavilion was originally proposed to house the GAC; however, following discussions with Authority staff, Suez Technologies, and the GAC equipment manufacturer, APC Technologies, the GAC is not suited for an outdoor application in this climate. She said changes were made to the original concept layout to include a building to shelter the GAC and Vacuum Filter operations. She reviewed two new concept plans with the Board, which both included the larger building and the addition of an ash thickener system. She said the difference between the two plans is the size of a holding tank for thickened ash slurry storage prior to dewatering in the vacuum filter. She stated that the project is still in preliminary design and site survey work will also be needed. Rachel then informed the Board that the estimated engineering costs needed to complete the project through bid phase were trimmed as low as possible before being presented to the Board at the November 29, 2016 special meeting. She said with the addition of a larger building and other changes, the cost of design will need to be increased from an additional \$203,400 to an increased cost of \$386,000. She stated that the engineering portion of the project is projected at 5.9% of the construction cost, which is in line with the average of 6.0% of construction for projects this size. Chairman George asked how many square feet addition al the new building was compared to the smaller one to house the vacuum filter equipment. Rachel responded that the old building was a 30'x 20' one-story structure and the new structure would be 30' x 40' two-story due to the height of the GAC. Chairman George then asked Gannett Fleming to research the possibility of an insulated metal building for this application instead of a masonry building to save money. He said the structure must be functional for the application but cost effective. He said maybe the bid could include an alternate for the two types of structures.

Robert Dougherty reported that the construction portion of the Button Bock CSO West Separation Project is complete and the final documents for closeout have been submitted. He said the West side is now totally bypassing the CSO. He then reported that roof drain removal is continuing of the Ease side. He said the area has been broken down into 8 sections to be noticed and inspected. He said the notices are sent by section, which are then followed-up by inspections. He said there have been 138 disconnections to date; however, he noted that a problem exists with vacant properties because there is no response to the notices and the roof drains are not being removed. He said the GHJSA would disconnect the roof drains for non-responsive vacant properties and charge the owner for the work performed. He said an action sheet has been developed to track progress at each property to provide a history of notices and any work performed.

Grink & Fay moved to accept the Engineer's report. Passed: Aye-8, Nay-0, Absent-0

Solicitor's Report – Attorney Ustynoski reported that in addition to what was reported in executive session at the Work Session, he had nothing additional to report.

Milot & Boyarski moved to accept the Solicitor's report. Passed: Aye-8, Nay-0, Absent-0

Grink & Fayock moved to accept the Investment Consultant's Report as presented.

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

BILLS AND CREDITS

Fayock & Grink moved to approve payment of Gannett Fleming, Inc. invoices and requisitions from October 1, 2016 through October 28, 2016, totaling \$8,465.20 as listed in the following table:

| <u>Requisition #</u> | <u>Invoice #</u> | <u>Description</u> | <u>Amount</u> |
|----------------------|------------------|------------------------------|---------------|
| Operating Fund | 051153.A*26212 | Annual Service Work | \$ 773.94 |
| Operating Fund | 051153.B*26215 | Attending Authority Meetings | \$ 612.98 |
| Operating Fund | 051153.AI*26214 | ODMS Program Update | \$ 929.64 |
| Operating Fund | 051153.AG*26213 | Financing & Grants | \$ 2,664.01 |
| Operating Fund | 051153.01*26211 | Plant Water Service & SCADA | \$ 3,221.72 |
| Operating Fund | 048847.B*26210 | PENNVEST Administration | \$ 262.91 |
| | | Total | \$ 8,465.20 |

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

Cuozzo & Fay moved to approve Requisition #C174, payable to Michael F. Ronca & Sons, Inc., totaling \$249,566.89, for Payment Estimate #8 (FINAL) 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 1 through 5 (\$176,579.63) for a total contract price of \$1,623,579.63. The total of payments made to date including this payment is \$1,623,579.63, which leaves a zero balance.

On the Question: Board Member Cuozzo thanked RJD Engineering for doing a good job with this project; especially, controlling the amount of change orders.

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

Fay & Fayock moved to authorize payment from the Operating Fund in the amount of \$1,285,224.33 for Operating and Administrative Expenses (\$576,595.36); Construction in Progress (\$153,347.57); Equipment and/or Office Equipment (\$53,964.25); Debt Service Series 2012-A Bond (\$165,250.00); Debt Service Series 2012-B Bond (\$172,500.00); Pennvest Loan #27769 (\$158,666.52); Pennvest Loan #74119 (\$1,473.64); and Pennvest Loan #58103 (\$3,426.99) from the month of November 2016.

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

Boyarski & Cuozzo moved to approve issued credits totaling \$2,839.34 from month of November 2016.

On the Question: Board Member Cuozzo asked why there was a credit issued to the Hazleton Little League. Gregory Olander responded that he received an email from the Hazleton City Authority (HCA) stating that they issued a credit because there was no water service to this property since July 21, 2016. He said HCA credited the account because there was zero consumption since July when the meter was supposed to be removed. He said when the HCA issues a credit in an instance like this one, we usually do the same. Board Member Cuozzo stated that this could not be possible because the kids were still playing ball at that time.

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

NEW BUSINESS

Cuozzo & Fay moved to approve Engineering Agreement Addendum #2 with Gannett Fleming, Inc., in the amount of \$386,000, for Incinerator Installation Design, Final Design, and Bid Phase Services.

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

Cuozzo & Grink moved to approve a two (2) year extension to the existing hauling and disposal service contract with Waste Management of Pennsylvania, Inc. beginning January 1, 2017 with a 1.6% Consumer Price Index (CPI) increase, which was the latest Bureau of Labor and Statistics increase for both hauling and disposal. The increase is \$0.50 for the Alliance Landfill tipping fee (\$40.00 to \$40.50 per ton) and \$4.00 per haul to any of the Authority's three approved landfill disposal sites.


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

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

The meeting was adjourned at 8:23 PM

The next regularly scheduled Work Session will be Wednesday, January 18, 2017 at 7:00 PM.
The next regularly scheduled monthly meeting will be Monday, January 23, 2017 at 7:30 PM.

Respectfully submitted,
Greater Hazleton Joint Sewer Authority



Gregory Olander, Assistant Secretary