

The March 27, 2017 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:

Ammon – Present	Boyarski – Present	Cuozzo – Present
Fayock – Present	George – Present	Grink – Present
Milot – Present	Sherrock – Present	Zola - Present

Also in Attendance:

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

*In attendance during the Work Session

PUBLIC COMMENT

There was no public comment.

Milot & Sherrock moved to approve the minutes of the February 23, 2017 Regular Monthly Meeting.

Passed: Aye-9, Nay-0, Absent-0

Grink & Milot moved to approve the minutes of the February 22, 2017 Pension Meeting.

Passed: Aye-9, Nay-0, Absent-0

Negotiating Committee Report -

Vice Chairman Grink reported on behalf of the Negotiating Committee in executive session during the Work Session.

Fayock & Boyarski moved to accept the Negotiating Committee report.

Passed: Aye-9, Nay-0, Absent-0

Director of Operations Report - MONTHLY FLOW REPORT

	<u>February 2017</u>		<u>Year to Date</u>		
			<u>Total</u>		<u>Average</u>
Total Flow	<u>233,227,201</u>	Gallons	<u>503,543,997</u>	Gallon	xxxxx
Total Flow Bypassed	<u>2,559,821</u>	Gallons	<u>3,897,563</u>	Gallon	xxxxx
Days Flow Bypassed	<u>2</u>	Days	<u>7</u>	Days	xxxxx
Total Flow Treated	<u>230,667,380</u>	Gallons	<u>499,646,434</u>	Gallon	xxxxx
Average Minimum	<u>5.8</u>	MGD	xxxxx	xxxxx	<u>5.9</u> MGD
Average Maximum	<u>11.9</u>	MGD	xxxxx	xxxxx	<u>12.3</u> MGD
Average Daily Flow	<u>8.2</u>	MGD	xxxxx	xxxxx	<u>8.7</u> MGD

Christopher Carsia, the Director of Operations, reported on the wastewater flows for February 2017. He said the total volume of wastewater diverted from all point sources for the month was estimated to be 22.833 million gallons with approximately 2.56 million gallons of treated outflow diverted at the treatment plant. He said approximately 1.581 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 233.2 million gallons with about 230.7 million gallons fully treated. He also stated that the average daily flow to the treatment plant for the month was 8.2 MGD.

The Director of Operations then reported that the revenues for February 2017 were \$863,299.70 which is a decrease of 3.6% from the prior year and the bills for hauled waste received in February totaled \$110,538.89, which was a decrease of 4.2% from the prior year. He then reported that Liquid Motion will be paying \$5,000 this week, which will put them within 60 days past due and Gotta Go Septics continues to make weekly payments to keep their balance below 60 days past due. He reported that receipt of Fats, Oils and Grease (FOG) is showing modest but steady increase in business with the receiving station that has been in operation over the past 2 months. Board Member Zola asked how the Authority knows that it is making money on the hauled waste business. Christopher responded that normal septage and sludge wastestreams that are less than 3% solids are charged \$.03 per gallon; however, if the wastestreams contain higher solids or are a higher strength, the price is increased accordingly. He said the overall range is \$.01 per gallon for water type waste with little or no solids to \$.04 for thicker sludge. He said waste with high BOD characteristics is charged up to \$.13 per gallon and Fats, Oils, and Grease (FOG) waste is charged a flat rate of \$.11 per gallon. He stated that the FOG waste is highly profitable and has few expenses, which include rental of enzyme units, electricity for mixing and pH adjustment with Magnesium Hydroxide.

The Director of Operations reported that the Road Crew assisted the City and Borough with snow removal following the recent storm. He said the cost was approximately \$3,000 to \$4,000 including fuel to operate the equipment. He said with the amount of snow from this storm, the Road Crew would not have been able to perform any work in the collection system. He said after the use of heavy equipment and trucks for snow removal at the treatment plant and pump stations, the equipment would have been idle. Andy Nowak said the eligible snow removal costs have been submitted to the Luzerne County Management Agency (LCMA); however, the Pennsylvania Emergency Management Agency (PEMA) would need to reach a total cost of \$18 million statewide before submitting to the Federal Emergency Management Agency (FEMA) for reimbursement. He said only two days of snow removal were eligible and if the \$18 million is reached, FEMA would reimburse 75% of the costs; however, if the \$18 million is not reached, there will be no reimbursement.

The Director of Operations reported that the annual Wasteload Management Report (Chapter 94) and CSO Report for 2016 were received from Gannett Fleming. He said after the Chairman signs the report, it will be hand delivered to DEP prior to the March 31, 2017 deadline. He said the annual Industrial Pretreatment Report is still being worked on and when completed, it will be submitted to EPA electronically before the March 31, 2017 deadline.

Gregory Olander reported on a breakdown in the Fluid Solids (FS) Department. He said the screw in the transfer screw conveyor, which transports sludge cake from the #1 and #2 Rotary Presses began making a noise on Monday March 20, 2017. He said the maintenance department found the shaft of the screw fractured in about 7 locations near its center. He said they were able to have a sleeve machined and inserted inside the hollow shaft. He said the screw was welded back together and reinstalled in the conveyor within two days, which was an exceptional

response time for this type of repair. He said the equipment company was contacted and the Authority is waiting for a response to better fix the screw conveyor going forward. He suggested this piece of equipment is vital to the sludge processing operation and a spare screw should be kept in inventory for future breakdowns. Board Member Zola agreed that the fix cannot be trying to repair the same screw when it breaks. He said a spare screw should be in inventory.

Gregory then reported that the Authority is entering its delinquent collection season, which begins in April. He said letters will be sent to owners of delinquent properties in Section B in early April. He said the properties will be posted 10 days later to notify tenants of the impending water shutoffs and the water shutoffs will take place 30 days following the posting.

Andy Nowak reported that the Road Crew has been working on 5 CSO Outfalls in the vicinity of Gashouse Pump Station. He said the CSO channel dredging is within a few days of completion so the rental dozer has been returned. He said the project will be completed after the snowmelt with Authority owned equipment. Andy then reported that the camera truck has been used to identify sanitary sewer laterals that may be connected to the storm sewer system in the Heights section of Hazleton City. Board Member Zola asked how you identify that it is a sanitary lateral connected to the storm line. Andy responded that when the camera is moving through the line, they are able to identify debris and other suspicious/personal hygiene material, which would most likely come from a sanitary lateral, accumulating at the base of the connection point.

Board Member Cuzzo stated that a manhole on Muir Avenue and Oliver Court was moved off of its base. Andy Nowak responded that he will look into this matter and most likely the manhole frame will need to be reset into mortar on the manhole base.

The Director of Operations then stated that the Suez Incinerator networking event is being held in Cleveland, OH this year. He said Chief Operator Gene Zynel attends this meeting and Gregory Olander may also be attending. He said a Special Meeting will be scheduled sometime shortly after the Incinerator Forum so the Board can be informed of any development or changes. He also noted that the PMAA Spring Dinner Meeting is May 4th for any Board Members who wish to attend.

Fayock & 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.

Passed: Aye-9, Nay-0, Absent-0

Engineer's Report – During the Work Session, Rachel Govelovich reported that the design work is continuing on the Plant Water System Upgrade. She said the grant determinations are tentatively scheduled for the March 29, 2017 CFA Board Meeting. She stated that the water quality data on the plant effluent was requested from Authority staff to determine if plant water is acceptable for use with the new ash handling equipment. Rachel then informed the Board that the two LSA Grant applications are expected to be reviewed for determination at the March 29th CFA meeting. She also noted that the Authority has still not received a new NPDES Permit from DEP.

Rachel reported that design work continues on the Incinerator Installation Project. She said the site layout and basement floor plan is now complete and due to the amount of new equipment

needed in the basement area, it was necessary to complete the layout with the Ladies Locker Room removed. She said the Authority staff would demolish the locker room to save money. She reported that representatives from Gannett Fleming's structural and architectural departments were onsite March 8th and the electrical and instrumentation departments will be meeting at the treatment plant on April 13th. She stated that modifications to the Control Building roof are needed and the concrete roof decking will need to be removed during installation of the Incinerator equipment. Rachel then reported that a hatch needs to be installed above the heat exchanger to allow future access into the unit due to lack of clearance with the existing roof height. She said it was originally proposed to raise the lower mezzanine roof due to piping clearances and the need to reinforce the roof for future snow load; however, in the interest of project costs, the final determination is to reinforce the existing roof with added structural supports and allow for field modifications of piping if there is not enough clearance during installation. Board Member Zola asked what the Authority was working toward with incineration. Rachel responded that the incinerator equipment was already purchased a few years ago and due to the air quality regulation changes that took place after the incinerator was being built, the Authority needed to purchase additional new air quality equipment and modify equipment that was already manufactured. Rachel stated that when the design is at 60% complete, she could get updated cost projections to the Board. Gregory Olander informed the Board that there was a cost analysis done by the engineer back in 2007 that showed incineration as the most cost effective option for biosolids removal; however, that was before the change to the air quality regulations and impending additional equipment that had to be purchased, installed, and operated. Board Member Ammon requested to see a copy of that analysis from 2007. He then asked where the closest incinerator was to Hazleton. Christopher Carsia responded that Wyoming Valley Sanitary Authority (WVSA) in Wilkes-Barre operates a sewage sludge incinerator and they have plans to upgrade their unit. Board Member Ammon then asked if permitting was received for the incinerator. Christopher responded that the Air Quality Permit and Solid Waste Permit were both in place for the Incinerator Project. Gregory Olander noted that during the Incinerator Networking Event last year in Kansas City, he was informed that the Little Blue Valley plant, who recently installed a new incinerator, was under an order from EPA to upgrade the Air Quality equipment of that new unit, which is expected to cost about \$20 million. Board Member Ammon then asked about the debt of the Authority. Christopher responded that the Authority's outstanding debt is approximately \$44 million. Board Member Ammon then asked about the debt coverage in the trust indenture. Gregory Olander responded that the debt service coverage is 110% in the trust indenture and the Authority is meeting that obligation.

Rachel then informed the Board that there was a meeting scheduled on March 27, 2017 with Gannett Fleming and Suez regarding a change order in the amount of \$629,000 that was received for delays to the project. She stated that they have not been able to analyze the change order yet for accuracy and legitimacy, but the results of the meeting will be reported to the Board. Rachel then stated that an invoice was received from Suez for 25% due upon startup of the equipment. She said this would also be discussed at the meeting and an opinion would be provided to the Board.

Rachel then reported that she spoke with representatives at Pennvest regarding the eligibility of the Incinerator Installation Project for funding. She said there was a list of items that needed to be checked, but it appears they will consider funding the installation project. She said the

purchased equipment and any Suez related work during installation would not be eligible for funding. She stated that engineering costs may also be eligible. Rachel reported that the online calculator was used to get an idea of a funding offer, but the Authority's financial information would be provided to Pennvest to get a better idea of a funding offer. She said the next step is to set-up a planning consultation with the Pennvest and DEP representatives.

Rachel then reported that bidding documents were being prepared for the leak repairs to the Primary Pump Station walls. She then noted that the Wasteload Management Report (Chapter 94 Report), CSO Report, and Industrial Pretreatment Report would all be submitted prior to the March 31, 2017 deadline.

Robert Dougherty gave a progress report of roof drain disconnections in Area 1. He said 432 notices were sent to property owners to disconnect their roof drains and to date 198 have been disconnected. He reported that there is evidence of fecal coliform bacteria in some storm sewers in that drainage basin, which led to televising of some of the storm sewers. He said about 30 potential sanitary connections into the storm sewer lines have been visually identified and the next step is to dye test those homes to verify if they are actually connected to the storm sewer. Board Member Zola asked how close the sanitary and storm lines were to one another in that area. Andy Nowak responded that they were side by side. Robert then reported that there is approximately \$185,000 remaining in available grant money for this project and he said a small project can be developed to remove any of the possible sanitary connections into the storm line under the grant. He said a change in scope would need to be submitted to CFA for approval to have this work paid under this grant.

Grink & Milot moved to accept the Engineer's report. Passed: Aye-9, Nay-0, Absent-0

Solicitor's Report – Attorney Ustynoski requested the Board move to executive session to discuss a legal issue.

Milot & Fayock moved to enter executive session to discuss a legal issue. Passed: Aye-9, Nay-0, Absent-0

After the Board moved out of executive session, **Sherrock & Milot** moved to accept the Solicitor's report. Passed: Aye-9, Nay-0, Absent-0

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

Roll Call: Ammon-abstain, Boyarski-yes, Cuzzo-yes, Fayock-yes, George-yes, Grink-yes, Milot-yes, Sherrock-yes, Zola-yes

BILLS AND CREDITS

Sherrock & Cuzzo moved to approve payment of Gannett Fleming, Inc. invoices and requisitions from December 31, 2016 through February 3, 2017, totaling \$64,331.96 as listed in the following table:

<u>Requisition #</u>	<u>Invoice #</u>	<u>Description</u>	<u>Amount</u>
Operating Fund	051153.A*30892	Annual Service Work	\$ 4,974.55
Operating Fund	051153.B*30895	Attending Authority Meetings	\$ 600.49
Operating Fund	051153.C*30896	Chapter 94 Report	\$ 763.90
Operating Fund	051153.D*30897	Pretreatment Program	\$ 505.08
Operating Fund	051153.T*30898	NPDES Permit Application	\$ 441.95
Operating Fund	051153.AG*30893	Financing & Grants	\$ 197.19
Operating Fund	051153.AI*30894	ODMS Program Update	\$ 178.43
Operating Fund	051153.O1*30891	Plant Water Service & SCADA	\$ 84.33
Operating Fund	048847.B*30889	PENNVEST Administration	\$ 2,811.34
Operating Fund	048847.CO*30890	Incinerator Design	\$ 53,774.70
Total			\$ 64,331.96

On the Question: Board Member Cuozzo asked how much was the Authority being charged for attending Authority meetings. Christopher Carsia read aloud each line item from the invoice backup sheet. Roll Call: Ammon-abstain, Boyarski-yes, Cuozzo-no, Fayock-yes, George-yes, Grink-yes, Milot-yes, Sherrock-yes, Zola-yes

Cuozzo & Grink moved to authorize payment from the Operating Fund in the amount of \$1,046,274.18 for Operating and Administrative Expenses (\$498,766.73); Construction in Progress (\$46,190.30); 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 February 2017.

Roll Call: Ammon-abstain, Boyarski-yes, Cuozzo-yes, Fayock-yes, George-yes, Grink-yes, Milot-yes, Sherrock-yes, Zola-yes

Cuozzo & Fayock moved to approve issued credits totaling \$3,259.49 from month of February 2017.

Roll Call: Ammon-abstain, Boyarski-yes, Cuozzo-yes, Fayock-yes, George-yes, Grink-yes, Milot-yes, Sherrock-yes, Zola-yes

NEW BUSINESS

Cuozzo & Fayock moved to adopt Resolution 003 of 2017, authorizing the Authority to join with other Authorities as a Member of the Pennsylvania Municipal Health Insurance Cooperative (PMHIC), to enter into an intergovernmental agreement for the purpose of joining PMHIC, and to participate as a Member of PMHIC.

On the questions: Board Member Zola asked if there would be any change in coverage for the employees. Gregory Olander responded that the coverage is the same as the current Highmark plan and Benecon met directly with the union representatives for a Q&A session. He said the union representatives approved moving to PMHIC because the coverage was the same. Board Member Ammon stated he is familiar with Benecon and PMHIC and that moving to PMHIC will be a substantial savings to the Authority.


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

Board Member Zola requested the Authority consider using binders to organize the meeting materials for future Board Meetings.

Milot & Ammon moved to adjourn. Passed: Aye-9, Nay-0, Absent-0
The meeting was adjourned at 8:06 PM

The next regularly scheduled Work Session will be Wednesday, April 19, 2017 at 7:00 PM.
The next regularly scheduled monthly meeting will be Monday, April 24, 2017 at 7:30 PM.

Respectfully submitted,
Greater Hazleton Joint Sewer Authority



Gregory Olander, Assistant Secretary