

The August 28, 2017 regular monthly meeting of the Greater Hazleton Joint Sewer Authority was called to order by Acting Chairman Grink at 6:30 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	Robert Dougherty, P.E. – RJD Engineering

*In attendance during the Work Session

PUBLIC COMMENT

There was no public comment.

George & Milot moved to approve the minutes of the July 12, 2017 Special Meeting.

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

George & Milot moved to approve the minutes of the July 24, 2017 Regular Monthly Meeting.

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

Pension Committee Report –

Pension Committee Chairman Grink reported that the quarterly pension committee meeting was held on August 23, 2017. He said the Morgan Stanley representative reported a 10.4% rate of return net of fees so far for calendar year 2017. He said since this return rate is above the 7.5% benchmark assumed rate of return; the unfunded liabilities should be reduced this year. He also noted that the Minimum Municipal Obligation (MMO) was certified by the Pension Plan Administrator, Christopher Carsia, at \$195,238 for calendar year 2018. He stated that the Authority budgeted \$223,000 for the 2018 MMO due to the anticipated changes from the increased benefit in the Collective Bargaining Agreements (CBAs). Board Member Grink noted that the unfunded liability should reduce because in contract negotiations with the union it was agreed that no new employees will be added to the Authority’s defined benefit plan. Board Member Cuozzo asked the amount of the unfunded liability. Board Member Grink stated that the unfunded liability for the plan is currently about \$944,000, which is considered moderately distressed by the State at a 61% funding level. Christopher Carsia noted that about \$110,000 is currently being paid to pensioners annually, so approximately \$113,000 is being deposited to help reduce the unfunded liability.

Christopher Carsia noted that a plan modification was approved to allow direct rollover of IRAs to the Authority’s 457B Voluntary Pension Plan. He also reported that Amendment #12 was created by Beyer-Barber and it was sent to the union representatives for signatures along with the CBAs. He said Amendment #12 of the Pension Plan is the \$5.00 increased benefit that was negotiated and agreed upon with the union. He stated that the union wants to include the entire Amendment #12 with the new CBA so he contacted Attorney Gartley to discuss this issue directly with the union representatives.

Fayock & Sherrock moved approve the Pension Committee Report as presented.

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

Director of Operations Report - MONTHLY FLOW REPORT

	<u>July 2017</u>		<u>Year to Date</u>		
			<u>Total</u>		<u>Average</u>
Total Flow	<u>212,703,480</u>	Gallons	<u>1,903,053,109</u>	Gallon	xxxxx
Total Flow Bypassed	<u>6,349,564</u>	Gallons	<u>53,954,412</u>	Gallon	xxxxx
Days Flow Bypassed	<u>7</u>	Days	<u>35</u>	Days	xxxxx
Total Flow Treated	<u>206,353,916</u>	Gallons	<u>1,849,747,697</u>	Gallon	xxxxx
Average Minimum	<u>4.2</u>	MGD	xxxxx	xxxxx	<u>6.3</u> MGD
Average Maximum	<u>14.3</u>	MGD	xxxxx	xxxxx	<u>14.1</u> MGD
Average Daily Flow	<u>6.7</u>	MGD	xxxxx	xxxxx	<u>8.7</u> MGD

Christopher Carsia, the Director of Operations, reported on the wastewater flows for July 2017. He said the total volume of wastewater diverted from all point sources for the month was estimated to be 92.029 million gallons with approximately 6.350 million gallons of treated outflow diverted at the treatment plant. He said approximately 6.683 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 212.7 million gallons with about 206.4 million gallons fully treated. He also stated that the average daily flow to the treatment plant for the month was 6.7 MGD, which was lower than the previous few months; however, the year to date average daily flow remains high at 8.7 MGD. Christopher then reported that the treatment plant continues to operate very well and is within compliance for conventional and nutrient pollutants. He also stated that DEP should be releasing a draft of the Authority’s new NPDES Permit in the near future.

The Director of Operations then reported that the revenues for July 2017 were \$1,129,086.38 and the revenues for Fiscal Year 2016-2017 were \$12,150,537.13, which was a 5.4% increase from the prior year. He said the billings for hauled waste received in July totaled \$144,924.67 and the hauled waste billings for the fiscal year were \$1,616,233.83. Gregory Olander expanded on the revenue collection for fiscal year 2016-2017 noting that the overall collection rate was 100.20% for the fiscal year with connected customers at 100.18% and hauled waste customers at 100.07%. He said the high collection rate is attributed to the excellent work done by the front office staff and collection crew to ensure the maximum amount of payments are received. He noted that the HCA decision to install remote shut-off water meters on properties with a shared water line also contributed to the high collection rate. He said liens are being filed on properties with high balances that cannot be turned off and amounts owed are being provided to the Tax Claim Bureau for collection of balances owed during upset and judicial sales.

The Director of Operations then reported on a repair that was made to sanitary and storm sewer lines on 5th Street and Meade Court behind the old Monsignor Molino School. He said the pipes were broken underneath the structure of a building addition and groundwater was seeping into the basement of the building. He stated that it was a very difficult job that required excavation 12 feet under a building foundation to expose the broken pipes using the Vac Truck hydro-

excavator. He said additional sections of the lines were able to be jetted after the repair was made to clean debris from further down the line that runs underneath the building. Andy Nowak stated that risers were installed on both lines to allow access points for the lines to be flushed in the future.

Andy then reported on a project at the treatment plant to replace the 6-inch scrubber drain line between the Control Building and the Parshall Flume. He said the replacement line is specified to be ductile iron pipe (DIP) coming out of the Control Building that will be installed under and over the numerous obstacles before connecting to an existing 6-inch cast iron pipe on the east side of the Primary Pump Station. He said the line will then be re-routed around the new Chemical Building to ensure access for future repairs before final discharge at the treatment plant influent channel. He said about 300 feet of pipe will be installed for the project and noted that Gannett Fleming provided the elevations of existing pipes and duct banks that need to be crossed with the new line. Board Member Milot asked about how long the installation would take to complete. Andy responded that the project is complicated with numerous obstacles so it may take from several weeks to a month to complete. Board Member Cuzzo asked how much money the project would cost. Andy responded that the materials list is being compiled by Gannett Fleming and as soon as he has the final list of items, he can get quotes for the materials.

Andy also reported that clean water was found flowing into sanitary and stormwater pipes at Vine and 13th Street in Hazleton City. He said the lines were televised and two water line leaks were found flowing into the pipes. He noted that it will make a difference in the amount of water entering the diversion chamber after the water lines are repaired. The Director of Operations then noted that the amount of water flowing into the Primary Pump Stations through the spring has been reduced, which makes him think the plant water line break at the treatment plant, which was repaired a few months ago, may have contributed to the amount of flow coming into the station.

Sherrock & 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-9, Nay-0, Absent-0

Engineer's Report – During the Work Session, Rachel Govlovich reported that a response was submitted to DEP to answer additional questions posed by the DEP representative drafting the Authority's new NPDES Permit. She said the draft permit is expected to be received in the near future.

Rachel reported that a response was received on August 1, 2017 relative to the Erosion and Sedimentation (E&S) Application that was submitted to the Luzerne County Conservation District. She said additional copies of the Plan will be sent to the county as required prior to approval. She reported that the Water Quality Management Part II Permit is under review by DEP. She then stated that an administratively complete letter was received from DEP for the Solids Permit Minor Amendment Application that was submitted. She said the Amendment Application is now under technical review by DEP.

Rachel then reported that the centrifuge specifications are being developed with input from Authority staff to meet PENNVEST funding requirements. She stated that the change order is still being negotiated with Suez and a total of seven (7) Pre-Qualification Bid Packages were

received and are being reviewed by her firm. She also stated that Authority staff completed a draft of the initial PENNVEST Application section for Gannett to review.

Rachel also reported that the "Intent to Award" letter was sent to Mar-Allen Concrete on July 28, 2017 for the Primary Pump Station Concrete Repair Project with an accepted base bid price of \$23,110. She said Mar-Allen Concrete submitted satisfactory bonds; however, one insurance item is being finalized before both the bonds and insurances are submitted to the Solicitor for review and approval.

Rachel confirmed that elevations were provided to Authority staff relative to the installation of Yard Piping at the treatment plant. She said Authority staff provided sketches for the route of the pipe and her firm is currently reviewing them. She said the Authority staff and her firm are also contemplating optional methods for sealing pipe penetrations through the wall between the wet well and dry well in two of the largest pumping stations to fix ongoing leaks through the existing lead joints.

Board Member Sherrock asked if the Authority is telling contractors whether they can bid on the Incinerator Installation Project or not. Rachel responded that through the Pre-Qualification process, the Authority is qualifying only the general contractors to ensure they have experience and are capable of performing the work as specified.

Robert Dougherty reported that the June and July 2017 flow reports from the flow loggers installed in West Hazleton to record flows to the 6th & Ridge CSO Separator are ready to be sent to Scott Novatnak at DEP for review.

Robert then reported on the roof drain disconnections associated with the Button Bock CSO Separation Project. He referenced a handout that he provided to the Board, which summarizes properties either disconnected or provided notice to disconnect. He said it was a slow month for roof drain disconnections because the focus has been on locating illegal cross-connections of sanitary laterals into the stormwater lines in the east Heights section of Hazleton. He said dye testing has been performed to locate these cross-connections and about 14 to 15 of these connections have been identified so far with a few streets that still to be tested. He said about 15 to 16 removals are expected and he requested the Board approve advertisement of bids for a project to remove the remaining sanitary connections from the stormwater system. He said there is additional money remaining under the H2O Grant and DCED will be contacted by Rachel to petition for a change in scope for the project to include the work needed to remove these connections. Board Member Ammon asked if the remaining grant money will be enough to complete the project. Robert responded that he expects the remaining money to cover the removal costs.

Sherrock & Milot moved to approve the advertisement of Bids for a contract to remove of sanitary sewer connections from the stormwater system in the Mill Street Diversion Chamber drainage basin conditioned upon receiving DCED approval of the change in scope to add the work as eligible for funding.

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

Solicitor's Report – Attorney Ustynoski stated that other than the information that was reported in executive session during the Work Session, he had nothing additional to report. Board

Member Sherrock asked if anyone had details about the work being done at the old Stefanick's Gas Station on East Broad Street. Andy responded that they were demolishing the building and removing the gas tanks, but he did not have specifics on what would be constructed.

Fayock & Ammon moved to accept the Solicitor's report. Passed: Aye-9, Nay-0, Absent-0

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

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

BILLS AND CREDITS

Fayock & Sherrock moved to approve payment of Gannett Fleming, Inc. invoices and requisitions from May 27, 2017 through June 30, 2017, totaling \$121,200.35 as listed in the following table:

<u>Requisition #</u>	<u>Invoice #</u>	<u>Description</u>	<u>Amount</u>
Operating Fund	051153.A*39289	Annual Service Work	\$ 13,183.65
Operating Fund	051153.B*39291	Attending Authority Meetings	\$ 645.67
Operating Fund	051153.D*39292	Pretreatment Program	\$ 441.95
Operating Fund	051153.T*39293	NPDES Permit Renewal Application	\$ 126.27
Operating Fund	051153.AG*39290	Financing & Grants	\$ 1,003.46
Operating Fund	051153.01*39287	Plant Water Service Upgrade	\$ 9,361.83
Operating Fund	051153.02*39288	Primary Pump Station Concrete Repair	\$ 106.75
Operating Fund	048847.CO*39283	Incinerator Design	\$ 96,330.77
		Total	\$ 121,200.35

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

George & Ammon moved to authorize payment from the Operating Fund in the amount of \$1,683,937.52 for Operating and Administrative Expenses (\$765,123.77); Construction in Progress (\$230,451.25); Transfers to Other Authority Accounts (\$409,419.00): Pennvest Loan #27769 (\$172,675.90); Pennvest Loan #74119 (\$102,840.61); and Pennvest Loan #58103 (\$3,426.99) from the month of July 2017.

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

Ammon & Cuozzo moved to approve issued credits totaling \$2,583.88 from month of July 2017.

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

OLD BUSINESS

The Director of Operations informed the Board that he was contacted by Phyliss Paone, formerly of Talen Energy, the Authority's current electricity supplier. He said Phyliss is now with UGI Electricity Services and has asked to look at the Authority's natural gas usage to see if there is a potential for savings from the current rate. He stated that the Authority currently purchases gas

on a fluctuating index price and only the control building, administration building, and the two small pump stations acquired from the City of Hazleton use natural gas. He said he would like to get a price from UGI Energy Services, the current supplier, South Jersey Energy, and possible a broker to provide competitive pricing.

Milot & George moved to adjourn. Passed: Aye-9, Nay-0, Absent-0

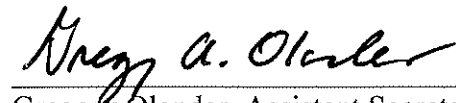
The meeting was adjourned at 6:59 PM

The next scheduled Work Session will be Wednesday, September 20, 2017 at 6:30 PM.

The next scheduled Regular Monthly Meeting will be Monday, September 25, 2017 at 6:30 PM.

Respectfully submitted,

Greater Hazleton Joint Sewer Authority



Gregory Olander, Assistant Secretary