

The July 23, 2018 regular monthly meeting of the Greater Hazleton Joint Sewer Authority was called to order by Chairman Sherrock at 6:30 PM. All in attendance gave a pledge of allegiance.

Roll Call:

Ammon – Present	*Cuzzo – Absent	Fayock – Present
George – Present	Grink – Present	Milot – Present
Sherrock – Present	Zola – Present	

Also in Attendance:

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.

**Milot & Grink** moved to approve the minutes of the June 25, 2018 Regular Monthly Meeting.  
 Passed: Aye-7, Nay-0, Absent-1

The Operations Manager, Gregory Olander, presented documents reviewing the final budget for Fiscal Year 2017-2018. He first reported on the Treatment Plant budget noting that payroll was expected to be under budget by approximately \$52,000 due to the loss of the Maintenance Lead Man and two other employees being on worker’s compensation for a significant portion of the year. He reviewed other line items with higher variations from the original budget including Cationic Polymer (+\$29,215), Methanol (+\$16,588), Biosolids Removal & Disposal (+\$60,632), and Group Insurance (-\$95,133). He said the polymer and biosolids line items are consistent with the processing of additional hauled waste and savings in group insurance was due to a refund received for surplus distribution in 2017 because the Authority is now self-funded through the Pennsylvania Municipal Health Insurance Cooperative (PMHIC). He said the overall operating and administrative expense for the treatment plant are estimated to be under budget by \$91,220 for 2017-2018. He noted that new debt service for the 2018 Bond was \$45,000 for the 5 payments made this fiscal year. Gregory then reviewed the Collection System Budget for 2017-2018 noting that most of the budget items are in line with projections, but the repairs and maintenance was under budget by \$213,429. He said the Collection Division portion of administrative expenses was calculated at \$197,484 for the year and overall the Collection System Division operating and administrative expenses were under budget by \$283,565. He reported that the debt service, which was the Pennvest Loan for stormwater improvements in the City of Hazleton, was consistent with prior years at approximately \$41,200. He stated that the \$64,001 capital purchase was for the new Bobcat loader for use by the Collection System Division. Board Member Ammon asked why the Bobcat was listed under the Collection System. Andy Nowak responded that the Bobcat is used by the Road Crew and replaced the Bobcat sold to the HCA. Gregory stated that the Bobcat used in the treatment plant is a 2011 and this new Bobcat replaced the 2004 Bobcat for use in the collection system. Gregory then reviewed a summary of revenues and expenses for the current fiscal year noting that the sewer customer revenue was expected to be \$327,000 above projections and the hauled waste customer revenue was expected to be about \$255,000 above projections. He reported that customer collections were over 101% through June, which accounts for some of the higher revenue. He said there was

a higher rate of return due to the increase to interest rates during the year and he noted that there was a \$484,708 litigation settlement relative to the Chicago Pumps at Gashouse Pump Station that occurred during the year. He then reviewed the overall Collection System revenues and disbursements and noted that there was \$670,556 of surplus funds that should remain allocated to collection system projects. He recommended the Board transfer that amount to the Collection System Reserve to fund future projects in the Hazleton and West Hazleton collection systems since the revenue was generated from transmission fees billings. He also recommended the transfer of \$135,400 to the Operating Reserve, which represents 10% of the debt service on the 2012A and 2012B bonds and the transfer of \$165,000 to the FNB Money Market account for Depreciation Expense. Board Member Ammon asked if there were other accounts where the Authority had money like the Collection System Reserve Account that the Authority can draw down for projects. Gregory responded that there is an Operating Reserve account for the treatment plant side. He said, in addition, there is the PA INVEST General Fund as listed on page 2 of the 5-year projections, which will have a balance of \$1,024,966 at the end of the fiscal year. He said the INVEST account is like a money market account with the State and there are two accounts with INVEST: the General Fund and the Operating Reserve. He stated that there is also \$312,318 in the 2012A Bond Redemption & Improvement Fund and the projections list a total of money allocated for the capital projects at \$15,099,517, which is the money used to pay for the capital projects listed in the table. He noted that there is also the Money Market account for depreciation and the Operating Fund. Board Member Ammon asked what the Operating Fund was for and what the approximate balance was in that account. Gregory responded that the Operating Fund is the Authority's checking account for operating and administrative expense and it has a balance of about \$2.5 million. He said the payment to the Collection System Reserve will come out of the checking account at the end of the year if the Board approves the transfer.

Gregory then presented the budget for Fiscal Year August 1, 2018 through July 31, 2019. He said the overall Treatment Plant budget in the amount of \$10,395,200 is an increase of \$390,100 from last year. He said there are adjustments in various line items, most notably increases to Payroll (+127,800), Cationic Polymer (+\$20,000), Hydrogen Peroxide (+\$10,000), Methanol (+\$30,000), Maintenance and Repairs (+\$13,000), Biosolids Removal & Disposal (+\$30,000) and decreases to Group Insurance (-\$27,000). He said the increase to payroll was due to the addition of an employee and contractual increases under the union contract. He said Methanol is a commodity that has been up for the better part of the past fiscal year so the usage is not expected to increase even though its usage fluctuated with the flows to the plant; however, the price per gallon is currently higher than it was this time last year. He said the cationic polymer and biosolids line items were increased consistent with the projected increase in hauled waste revenue. Board Member Ammon asked why the postage and freight item was so high. Gregory responded that there is very little in the way of freight charges, but the postage is mainly for mailing checks and delinquent notices during the year in addition to the reimbursement to Smartbills for the monthly postage for mailing the sewer bills. He then noted that one of the main increases in the budget is the new debt service in the amount of \$108,000 for interest on the Series 2018 Bond and interest expense for the new Pennvest Loan and FNB Line of Credit, which are estimated to be \$24,250 and 24,000 respectively. He noted that treatment plant revenues are projected to be \$10,673,000 for the fiscal year, which includes the 7.5% rate increase. Board Member Cuzzo asked why the hauled waste rates were not being increase since the cost of chemicals is going up. Gregory responded that the cost of chemicals has not really gone up except for Methanol, which is not used for processing hauled waste. He said the cationic polymer price has not increased and more of the product is used if there is more hauled waste

coming to the plant. Board Member Grink stated that increasing hauled waste rates is risky because we are in competition with other treatment plants for the business. Gregory stated that the haulers are under no contract or obligation to dispose of their waste at the Authority's plant; they can go elsewhere if our pricing is too high. Board Member Cuozzo stated that there has not been an increase to hauled waste rates since she is on the Board and she feels they should be increased just like the sewer customers were just increased. There was a detailed discussion on the profit generated from hauled waste and the pricing of different types of hauled waste. Board Member Ammon stated that there should be a pricing structure approved by the Board even if it has a range for different types of waste. Gregory agreed and said something would need to be put together for the Board. Gregory then reported that the overall Collection System Budget in the amount of \$2,577,009 was very close to last year in the Expenses & Debt Service categories (\$1,428,124). He said the Capital Purchases of \$300,000 are for a new Vac-Truck and Capital Projects increased due to remove stormwater flow to the Vortex Separator in West Hazleton Borough (\$726,385). He said projected customer revenues of \$2,015,625 include the 7.5% rate increase and along with the available money in the Collection System Reserve account (\$1,185,498), they are expected to fund the Collection System Division for the fiscal year. Board Member Ammon asked if there were any other vehicles that were being looked at to be replaced. Andy responded that there are no other vehicles being replaced this year, but he may recommend replacement of the 2009 Chevy 5500 dump truck next fiscal year. Gregory also reviewed sections of the 5-year financial projections with the Board at various times during the budget presentation.

**George & Grink** moved to approve the Fiscal Year August 1, 2018 to July 31, 2019 Operating Budget for the Treatment Plant and Collection System Division as presented by Authority Management.

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

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

	<u>June 2018</u>		<u>Year to Date</u>		
			<u>Total</u>		<u>Average</u>
Total Flow	205,797,405	Gallons	1,947,847,823	Gallon	xxxxx
Total Flow Bypassed	122,810	Gallons	120,867,676	Gallon	xxxxx
Days Flow Bypassed	1	Days	36	Days	xxxxx
Total Flow Treated	205,674,595	Gallons	1,826,980,167	Gallon	xxxxx
Average Minimum	4.3	MGD	xxxxx	xxxxx	7.4 MGD
Average Maximum	10.4	MGD	xxxxx	xxxxx	16.5 MGD
Average Daily Flow	6.9	MGD	xxxxx	xxxxx	10.1 MGD

Gregory Olander, Operations Manager, reported on the wastewater flows for June 2018. He said the total volume of wastewater diverted from all point sources for the month was estimated to be 32.211 million gallons with 122,810 gallons of treated outflow being diverted at the treatment plant. He said approximately 2.503 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 205.8 million gallons with approximately 205.6 million gallons being fully treated. He also stated that the average daily flow to the treatment plant for the month was 6.9 MGD, which is a

decrease from the prior months. He then reported that the 122,810 gallons of treated outflow was an unauthorized discharge due to a load of hauled waste being taken at the head of the plant on Thursday, June 28, 2018. He said there was an excessive amount of debris in the load and it blinded the screen immediately. He said flow coming into the building rose rapidly so the operator opened the CSO Vortex Separator valve to use the unit as a retention tank to allow time to clean the screen of debris. He said there was not enough detention time in the separator tank and the 122,810 gallons of waste was released from the 002 outfall. He said it was a reportable event so within 24 hours he was required to contact DEP to report the incident. He said the verbal report was given to the Authority's Water Quality Supervisor at DEP on June 29, 2018 and a written report was sent the same day to meet the 5-day written reporting requirement in the regulations. He said the DEP representative understood that these types of events happen so he is not sure if there will be any additional follow-up with the state on this issue. He also reported that the plant operators were trained on an alternate method of relieving flow in the first screenhouse building so this type of event is prevented in the future.

Gregory reported that the revenues for June 2018 were \$1,187,258.72, which was a 3.6% increase from the prior year. He said the billing for hauled waste received in June totaled \$206,701.33, which is an increase of 60.4% from the prior year and is the second highest single month of hauled waste revenue since inception of the program. He stated that through June the collections are over 101% of what was billed for both the sewer customers and hauled waste customers.

Gregory then reported on the review of wastewater chemicals that were bid and are on the agenda for Board approval. He said most of the companies that were low bidders were either the current supplier or had supplied chemicals to the Authority in the past. He said that he is recommending the continued use of the Methanol Alternative product MicroC 3000, which is a blend of methanol, other alcohols, and water, instead of neat Methanol because lower dosing rates that can be achieved with the alternative product. He said the density is higher for the MicroC 3000, which allows the pumps to be turned down to a lower setting without losing prime, which had been an issue using neat Methanol. He recommended awarding both Methanol and MicroC 3000 to the low bidders, but continuing to use the MicroC 3000 product with supply of neat Methanol as a backup in case the Micro C 3000 becomes unavailable.

Gregory reported that the newly hired employee, Shane Boyer, was contacted and given a start date of July 26, 2018. He said Mr. Boyer will receive a few weeks of training before being released on shift as a Plant Operator. He said at the time he completes training and is released for shift work, the other newly hired employee will begin his training.

Gregory also responded to questions that arose during the July 2, 2018 Special Meeting relative to the ProxiGuard Guard Touring System for documentation that the Authority's remote pump stations were being checked. He said there are no service fees or additional fees for the ProxiGuard system above the \$1,595.00 purchase price for the starter kit except for the need to purchase four (4) additional employee ID tags at a cost of \$4.95 each.

Andy Nowak reported on repairs to the collection system over the past month. He said there was one (1) cross connection in the Button Bock drainage area that was removed by the Road Crew, so there are nine (9) remaining. He said there were a few sinkholes repaired including on Grant and 9<sup>th</sup> Streets in Hazleton City where an old abandoned stormwater pipe was not properly

sealed. He said the stone arch on Hemlock Street between Cedar and Poplar Streets caused another sinkhole and was repaired again. He said the workmanship on that stone arch was not as good as the other stone arches in the system and ongoing problems are expected to continue in that location. He then reported that Duke's Root Control was called in to treat a few locations in Hazleton and West Hazleton where heavy root infiltration has been identified. He said they were contracted under a COSTARS contract and they offer a 2 year guarantee for no blockages due to roots after their treatment. He explained that they inject a foaming herbicide into the pipe and manholes to kill roots and keep them from growing. He said approximately two (2) miles of pipe was treated for root infiltration.

Andy then reported that one (1) bid was received for the property and casualty RFP for coverage in fiscal year 2018-2019. He said the low bidder was through the current underwriter, Brown & Brown Insurance for a cost of \$82,784.00 including the same amount of cyber insurance. He said the cost is relatively the same as last year with only a slight increase even though the probable replacement costs increased by \$7 million to \$108 million this year.

**George & 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-1

**Engineer's Report** – Robert Dougherty reported he is still working on the stormwater sanitary separation in West Hazleton Borough. He said flow loggers were installed at 22<sup>nd</sup> & Vine Streets in Hazleton City as part of the Area 10 Project and the first readings were downloaded earlier today. He also reported on the roof drain disconnections associated with the Button Bock CSO Separation Project. He said there were 53 disconnects in the past month; however, there are 38 properties remaining to be disconnected or inspected, all of which have not responded to notices. He said their names and addresses would be given to Attorney Ustynoski for additional noticing. He said some of the properties are vacant. Robert stated the flow loggers would be reinstalled to determine the amount of flow removed from the system. Board Member Ammon stated that the properties that still have not disconnected in the Button Bock area should be posted with a notice threatening that the water will be shut off if the roof leaders are not removed. He said the Authority cannot go on someone's property to disconnect the roof drains so the only leverage is to threaten that the water will be shut off to get them to respond. Attorney Ustynoski asked how many were vacant. Robert responded that there are 10 to 12 of the non-responsive properties that are believed to be vacant.

Rachel Govelovich reported that no response has been received from DEP regarding the draft NPDES permit comments that were provided to the Department on January 11, 2018. Rachel then reported that the first submission to Pennvest is scheduled for August 2018. She then reported that change orders on the project that are submitted to Pennvest also go to DEP for their technical review on behalf of Pennvest. She said this is a normal procedure that is done for all Pennvest projects; however, on this project, the DEP representative is requiring a separate independent engineer's estimate to be provided along with the package. She said change orders are normally checked by the engineer for reasonableness, verification of quantities, manhours, wages, etc. Board Member Ammon asked if this was being required for every change order. Rachel responded that an independent, blind engineering estimate is being required for every change order. Rachel reported that she was directly involved in 30 Pennvest water and wastewater projects over 18 years with 10 different DEP representatives and this is the first time

this level of estimating is being required by DEP. She said it offers no added benefit to the Authority, but it would require additional cost in engineering. She said that she also called her peers at other engineering firms, and no one she spoke with was required to submit blind independent engineering estimates to DEP. Rachel stated that she spoke with the Pennvest representative and they said one of the Authority's options is to submit the change orders as normal. She said unless the Board instructs her otherwise, she will prepare and submit change orders the same as they had been done in the past. Board Member Ammon asked if this was required by this same DEP representative on the 2008 WWTP Upgrade Project. Rachel responded that it was not a requirement on the 2008 WWTP Upgrade Project.

Rachel then reported on the Suez inspection of materials in storage for the Incinerator Project. She said Suez has still not provided the final report including recommendations related to materials in storage so the invoice for payment of \$5,000.00 for the report is being held until a satisfactory final report with recommendations is received. She stated that the repairs were completed to the Teflon slide plates on the Warm Gas Duct and it was returned for installation. She said the supplier of the Fluidized Air Blower (FAB) recommended replacement of the bearings and inspection of the shaft and checking of overall performance. She said the quote received from Suez was \$2,000 higher than the manufacturer's quote, so she requested clarification of cost from the Suez. She said the Authority may want to work directly with the manufacturer of the FAB to have the recommended work performed. She said construction management is working with Ronca to extend the installation dates in the schedule.

Rachel then reported on the delay claim sent by Suez. She said on April 24<sup>th</sup> after the Authority discussions, Suez was sent an email outlining the Authority's stance on all Suez's claim items and on April 26<sup>th</sup> the items were reviewed verbally with Suez to clarify the questions that needed to be answered before the claim could be recommended for approval. She said another call was made on May 9<sup>th</sup> for verbal responses to specific time sensitive items from the inspection report since the written report had still not been provided. She said on May 16<sup>th</sup> another call was made for a status check on inspection responses. She said in May an email was received from Suez apologizing for not getting the requested items yet. She said on June 1<sup>st</sup> she emailed to Suez to clarify and request outstanding items. On July 17<sup>th</sup> an email was received from Suez stating that they supplied everything and Gannett Fleming should pay the claim or it will expire in 30 days. Rachel stated that all action items are still awaiting responses from Suez and she recommended promptly responding to SUEZ regarding the position they have now taken.

Rachel then reported on construction progress for the Incinerator Project. She said the shop drawing and submittal reviews continue. She said the asbestos abatement and roof demolition were completed and a Ronca sub-contractor completed installation of the reactor shell. She said equipment pads inside the reactor area were complete and several equipment components were set on the pads as outlined in the Engineer's Report. She stated that the refractory lined duct is being installed with a completion date this week and the temporary sludge cake line for filling dumpsters was routed to the front of the Control Building so work can begin on the building addition. She said the offsite storage warehouse areas were emptied of equipment and materials. She stated that lighting is being installed in the reactor area. Board Member Ammon asked if LED lighting was being installed. Rachel responded that LED lighting is being installed. Rachel then reported that Ronca Payment Estimate #2 in the amount of \$119,340.00 and Hayden Payment Estimate #3 in the amount of \$63,900.00 are on the agenda and recommended for approval. She said Change Order #2 of Contract One for concrete overlay removal in the amount

of \$9,554.28 is on the agenda and recommended for formal approval. She reviewed potential upcoming change orders including compensating change orders for eliminating dewatering dumpsters and purchase of a steel process waste tank from an alternate source. She said the DEP reviewer is requiring formal write-up of all change orders even if there is no change to the cost of the project, which is not traditionally required. She then reported that the Air Quality Permit extension was received, which extends the permit to July 31, 2020. Rachel also reported that the Primary Pump Station Concrete Repair Project was completed the week of July 15<sup>th</sup> and the first and final payment estimate will be prepared for next month’s meeting.

**Fayock & Grink** moved to accept the Engineer’s report.

Passed: Aye-7, Nay-0, Absent-1

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

**Milot & Grink** moved to accept the Solicitor’s report. Passed: Aye-7, Nay-0, Absent-1

**Milot & Grink** moved to accept the Investment Consultant’s Report as provided.

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

**BILLS AND CREDITS**

**George & Fayock** moved to approve payment of Gannett Fleming, Inc. invoices and requisitions from May 26, 2018 through June 29, 2018, totaling \$7,907.27 as listed in the following table:

<u>Requisition#</u>	<u>Invoice #</u>	<u>Description</u>	<u>Amount</u>
Operating Fund	051153.A*58119	Annual Service Work	\$ 6,935.85
Operating Fund	051153.B*58120	Attending Authority Meetings	\$ 971.42
		Total	\$ 7,907.27

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

**Fayock & Grink** moved to approve payment of Gannett Fleming, Inc. Invoice 048847.C0\*58118, in the amount of \$70,600.80, from May 26, 2018 through June 29, 2018, for the following Incinerator Project items: Pennvest Administration (\$1,637.55), Air Permitting during Construction (\$3,081.15), Construction Administration (\$47,033.10), and Resident Observation (\$18,849.00).

On the Question: Board Member Milot asked what the line item was for resident observation. Board Member Zola responded that it is inspection during the project.

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

**Fayock & Grink** moved to authorize payment from the Operating Fund in the amount of \$1,119,051.44 for Operating and Administrative Expenses (\$850,762.57); Construction in

Progress (\$83,187.35); Debt Service Series 2018 Bond (\$8,998.63); Pennvest Loan #27769 (\$172,675.90); and Pennvest Loan #58103 (\$3,426.99) from the month of June 2018.

Roll Call: Ammon-no\*, Cuozzo-absent, Fayock-yes, George-yes, Grink-yes, Milot-yes, Sherrock-yes, Zola-yes

*\*Board Member Ammon votes yes for all Pennvest Debt Service payments and he votes no for all payments from the Operating Fund as presented except those for the Hazleton City Authority (HCA), for which he abstains.*

**Grink & George** moved to approve issued credits totaling \$6,012.18 from month of June 2018.

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

**Grink & Fayock** moved to approve the transfer of \$670,556.00 from the Operating Fund to the "Collection System Reserve" for Fiscal Year Ended July 31, 2018 as presented by Authority Management.

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

**Grink & George** moved to approve the transfer of \$135,400.00 from the Operating Fund to the Operating Reserve for Fiscal Year Ended July 31, 2018 as presented by Authority Management.

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

**Grink & George** 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, 2018 as presented by Authority Management.

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

**Fayock & Grink** moved to approve Requisition #D006 authorizing payment in the amount of \$119,340.00 to Michael F. Ronca & Sons, Inc. for Payment Estimate #2 of the Incinerator Installation Project - Contract One (General Construction) as recommended by the engineer. The original contract price was \$10,877,000.00. Add for Change Order #1 (\$11,707.50) for a total contract price of \$10,888,707.50. The total of payments made to date including this payment is \$783,702.00, which leaves a balance of \$10,105,005.50.

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

**George & Grink** moved to approve Requisition #D007 authorizing payment in the amount of \$63,900.00 to George J. Hayden, Inc. for Payment Estimate #3 of the Incinerator Installation Project - Contract Three (Electrical) as recommended by the engineer. The original contract price was \$794,400.00. The total of payments made to date including this payment is \$181,223.10, which leaves a balance of \$613,176.90.

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



**OLD BUSINESS**

**Fayock & Zola** move to award the Ultra-Low Sulfur Diesel Fuel supply contract for August 1, 2018 through July 31, 2019 to the lowest bidder, Russell Postupack Oil Co., LLC, for the wholesale terminal rack price plus a fixed adder of \$0.18 delivered as recommended by the Authority Management.

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

**Fayock & Grink** move to award August 1, 2018 through July 31, 2019 chemicals contracts as specified in the bid documents to the lowest responsible bidders as recommended by Management:

Sodium Hypochlorite	Main Pool & Chemical of Dupont, PA	\$1.09 per gallon
Polyaluminum Chloride (DeLPAC 2000)	USALCO of Baltimore, MD	\$1.5323 per gallon \$1.4114 per lb Al <sub>2</sub> O <sub>3</sub>
Methanol	Pasternak Baum & Co. Inc. of Harrison, NY	\$0.02 per gallon fixed adder to Methanex Index
Methanol Alternative (EOSi - MicroC 3000)	Coyne Chemical of Croydon, PA	\$0.1118 per gallon fixed adder to Methanex Index with a \$1.5135 ceiling
Magnesium Hydroxide (Thioguard)	Coburn Chemicals of Cockeysville, MD	\$573.00 per Dry Ton

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

On the Question: Board Member Grink asked which methanol product was in use at the plant. Gregory responded that the Methanol Alternative, MicroC 3000, is currently used instead of the neat Methanol.

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

**NEW BUSINESS**

**Grink & Fayock** move to approve Change Order #2 for the Incinerator Installation Project - Contract One (General Construction) as recommended by the engineer, in the amount of \$9,554.28, for concrete overlay removal to elevation 1431.00 for equipment pad installation in the Incinerator Room.

On the Question: Board Member Zola asked for an explanation and wanted to know how it was missed during design. Gregory explained that the 2” overlay was thought to be the original floor in the reactor room so measurements were taken from that elevation, but when the equipment bases were being framed, it was realized that there was a 2” overlay over the entire floor that would cause elevation problems with piping and equipment unless it was cut down to the original floor.

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

**Fayock & Zola** move to approve the purchase of ProxiGuard 2018 Guard Touring System for the purchase price of \$1,595.00 for the complete start-up kit plus \$4.95 each for 4 additional employee ID tags for use by Authority staff to log maintenance activity at the remote pumping stations.

On the Question: Board Member Milot asked if the union employees were notified. Gregory responded that they would be notified after the Board’s approval.

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

**Milot & George** move to award the property and casualty insurance coverage for Fiscal Year 2018-2019 to Brown and Brown Insurance Co. of Bethlehem, PA for an annual premium of \$82,784.00, which includes \$1 million of cyber insurance coverage, as recommended by Authority Management and the Solicitor.

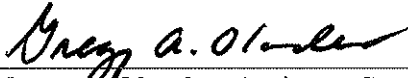
On the Question: Board Member Grink asked why there were no other bidders. Andy responded that he was not sure other than that he was told the carrier Argonaut bids these packages very aggressively. Board Member Fayock asked how the bids were compared to last year's premium. Andy responded that although the premium is slightly higher than last year, the coverage is for an additional \$7 million in probable replacement costs. Board Member Zola added that the premiums are still better than a few years ago.

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

**Milot & Grink** moved to adjourn. Passed: Aye-7, Nay-0, Absent-1  
The meeting was adjourned at 7:04 PM

The next scheduled Work Session will be Wednesday, August 22, 2018 at 6:30 PM  
The next scheduled Regular Monthly Meeting will be Monday, August 27, 2018 at 6:30 PM

Respectfully submitted,  
**Greater Hazleton Joint Sewer Authority**

  
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Gregory Olander, Assistant Secretary