

The December 17, 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	Cuozzo – Present	Fayock – Absent**
Gallagher – Present	George – Present	Grink – Present
Milot – Present	Sherrock – Present	Zola – Absent*

Also in Attendance:

Gregory Olander – Operations Manager	Andy Nowak – Field Operations Manager
Rachel Govelovich, P.E. – Gannett Fleming	Attorney Joseph D. Ustynoski – Solicitor
Robert Dougherty, P.E. – RJD Engineering	

*In attendance during the Work Session

**Board Member Fayock entered the meeting at 6:37 during the Engineer’s Report

PUBLIC COMMENT

There was no public comment.

George & Milot moved to approve the minutes of the November 14, 2018 Pension Meeting Passed: Aye-7, Nay-0, Absent-2

George & Milot moved to approve the minutes of the November 19, 2018 Regular Monthly Meeting. Passed: Aye-7, Nay-0, Absent-2

Director of Operations Report - MONTHLY FLOW REPORT

	<u>November 2018</u>		<u>Year to Date</u>		
			<u>Total</u>		<u>Average</u>
Total Flow	<u>436,337,741</u>	Gallons	<u>3,738,305,714</u>	Gallon	xxxxx
Total Flow Bypassed	<u>42,107,282</u>	Gallons	<u>298,957,656</u>	Gallon	xxxxx
Days Flow Bypassed	<u>12</u>	Days	<u>80</u>	Days	xxxxx
Total Flow Treated	<u>394,230,459</u>	Gallons	<u>3,439,348,078</u>	Gallon	xxxxx
Average Minimum	<u>10.2</u>	MGD	xxxxx	xxxxx	<u>7.5</u> MGD
Average Maximum	<u>22.1</u>	MGD	xxxxx	xxxxx	<u>17.4</u> MGD
Average Daily Flow	<u>13.1</u>	MGD	xxxxx	xxxxx	<u>10.3</u> MGD

During the Work Session, Gregory Olander reported on the wastewater flows for November 2018. He said the total volume of wastewater diverted from all point sources for the month was estimated to be 100.284 million gallons with 42.107 million gallons of treated outflow being diverted at the treatment plant. He said approximately 4.538 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 436.3 million gallons with approximately 394.2 million gallons being fully treated. He also stated that the average daily flow to the treatment plant for the month was 13.1 MGD and the average daily flow for the year increased to 10.3 MGD, which is above the Authority’s 8.9 MGD design annual average daily flow. He said the treatment plant continues to operate well within compliance of discharge permit parameters despite unusually high annual rainfall amounts that have led to high flows.

Gregory reported that the revenues for November 2018 were \$997,701.92, which was a 12.0% increase from the prior year. He said the billing for hauled waste received in November totaled \$227,983.19, which is an increase of 92.4% from the same month in the prior year. He then noted that the hauled waste business continues to drive the overall revenues and there have been seven (7) consecutive months with hauled waste revenues over \$200,000 due partially to the continued heavy precipitation.

Gregory then reported that the contaminated spoil material from the excavation site of the abandoned oil tank was sampled as required by Alliance Landfill. He said the results of the soil tests determined that the material could be disposed of at Alliance Landfill and a PADEP Form FC-1 was submitted to the landfill for final approval. He said the cost for the environmental firm to sample, test, and complete the form was approximately \$2,300. Gregory stated that once final approval is received, the Authority will begin transporting the material to the landfill.

Gregory also reported that the staff from the Maintenance Department began the process of rebuilding the Raptor #2 hauled waste receiving unit on December 3, 2018. He said the unit had to be completely rebuilt by removing all parts down to the metal shell; the shell had to be repaired; and new parts had to be reinstalled. He noted that it was about a three week project using all available maintenance employees. Gregory stated that the grit in the hauled waste loads caused excessive wear on the internal components of the Raptor units. He said it would be necessary to rebuild the other Raptor and rebuild parts for that unit would be ordered as soon as this unit was operational and tested for a period of time.

Gregory reported that the RFP documents for Sludge Hauling & Disposal for calendar year 2019 were reviewed and he recommends awarding the contract to Waste Management of Pennsylvania, who is the current Sludge Hauler. He said the cost to haul loads on weekdays is \$306.00 per load and to haul on Saturday is \$346.00 with the Authority responsible for providing dumpster liners for every load. He said the hauling cost is for delivery to each of the three (3) landfills used by the Authority: Alliance Landfill, Commonwealth Environmental Systems (CES) Landfill, and Keystone Landfill. Gregory then noted that a letter was received from CES and Keystone Landfills noting a cost increase of \$0.50 per ton for calendar year 2019. He said the 2019 tipping fee for CES is \$43.00 per ton for CES and \$51.55 for Keystone landfills. He noted that Alliance Landfill has not yet sent a price increase for 2019.

Gregory then reported on a request for credit that he received from Lehigh Valley Hospital – Hazleton (LVH) for a major leak that took place in April 2018. He said the request just came in through the LVH third party vendor who stated the water leak was to a 6” main on the LVH property where the water discharged into a separated storm drain in their parking lot. He said the normal water usage over the past year was 1.212 million gallons and they were charged for 4.173 million gallons for the month that the leak occurred. He asked if the Board would consider billing them for the average monthly usage for that month and crediting them the remainder, which would be \$28,303.68. Board Member Zola stated that he could see estimating their usage at the highest month and crediting the remainder. Board Member Ammon stated that he would look into information pertaining to the leak with the Hazleton City Authority (HCA). Gregory stated that this was such a large credit; he wanted the Board to be aware of the matter before issuing the credit.

Andy Nowak then reported on quotes received for Worker’s Compensation insurance RFP for calendar year 2019. He said three quotes were received: two from municipal trusts and one from the current underwriter, Assured Partners, who underwrites for Lackawanna Insurance Group. He said

the lowest bid submitted was from Assured Partners (for Lackawanna Insurance Group) for a cost of \$69,332.00, which was an increase from the prior year. He said due to higher claims over the past year, the MOD rate increased to over 1.0, which directly affects the Authority's premium. He said the approval is on the agenda for the Board's consideration.

George & Gallagher 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-2

Engineer's Report – Robert Dougherty reported that last month the agreement for the West Hazleton Area #2 Stormwater Separation Project was approved and Notice to Proceed was sent to the contractor Wexcon, Inc. He said a pre-construction meeting has been scheduled for December 18, 2018 to discuss the project with the contractor, municipalities involved, and other utilities. Robert also reported that the final closeout report was prepared by his firm and sent to DEP for the Button Bock CSO Separation Project.

Rachel Govelovich reported that there has been no formal response to the Authority's comments on the draft NPDES permit from DEP. She then reported on the Incinerator Project. She said all Board approved change orders for the Project have been submitted to PENNVEST and DEP for approval. She reported that the Fluidized Air Blower (FAB) testing was to be completed by Friday December 14, 2018 and construction management will be getting the results from the manufacturer. She stated that there were no pay estimates from Suez this month and a response was being put together by Gannett Fleming for the Suez delay claim.

Rachel gave a brief progress report on work performed under the three construction contracts of the Incinerator Project. She noted that since last month the electrical switchgear was installed, floor drains were roughed-in for the building addition, painting of the incinerator was completed, the concrete slab for the stack was completed, and the concrete overlay fill-in on the incinerator floor was completed by the Authority's contractor.

Rachel reported that Ronca Payment Estimate #7 in the amount of \$733,540.50 and Hayden Payment Estimate #8 in the amount of \$94,905.00 are on the agenda and recommended for approval.

***Board Member Fayock entered the meeting at this time.*

Rachel then reported that Ronca has submitted a time and materials change order in the amount of \$12,089.28 for excavation, removal, sampling of the excavated area, removal of materials by an environmental firm, and concrete backfill relative to costs above the allowance contained in the contract for the removal of the underground storage tank. She said the Authority would continue with removal of the spoil materials separately. She said the change order has been reviewed and the formal documentation would be prepared for the January Board Meeting.

Rachel also reported that the change order for purchase and programming of the two (2) sludge valve actuators that are needed as an operational improvement to better automate the shutdown and startup of the incinerator was being prepared and would be ready for the January Board Meeting.

Rachel reviewed the locations of the incinerator platforms that were designed by Suez for access of the equipment. She said there is a lower level platform and a platform on top of the reactor;

however, there is no mid-level platform in between the upper and lower platforms. She said the Authority asked that Suez provide for staff and contractors to work on instrument and controls as part of their initial comments; however, the response from Suez was that adding an additional platform for access would cost significant additional money in redesign and material/labor costs and the supports for the platform were likely to interfere with major lower level components. She said Suez provided a solution at that time to use ladders and lifts to access to the instruments and controls in question. Rachel said during a construction meeting the Suez field representative asked how the instruments and controls would be accessed safely and he noted that many of the equipment vendors and contractors would not install or calibrate the instrumentation on the mid-level because many of them cannot be accessed safely with a ladder. Rachel stated that there is an opportunity to install a mid-level platform before the new addition is built in mid-February 2019 so the I-beams can be moved into the building without needing to remove the roof again. She said a budgetary quote was received from the contractor, stressing that it is budgetary because design has not been performed yet, in the amount of \$174,760.00 for the steel sub-contractors cost, not including the Ronca markup. She said the platform would be actually an extension of the mezzanine level built around the incinerator and also provide a point of entry for the access hatch. She also noted that lifts were discussed as an option, but their use was not practical due to the piping obstructions and inability to replace a lift in the future. Board Member Ammon asked if the money would be taken out of contingency and Rachel responded that it would be paid from contingency, which is \$1.769 million or 15% of the overall project cost. She noted that due to the negative change orders, there is actually about \$69,000 more available in contingency than the \$1.769 million. Board Member Ammon then asked what the real total price would be for the additional work. Rachel responded that she is asking the Board for a "Go/No-Go" decision on the platform at this time since the final cost to build it will not be known until the sub-contractor designs it and the structure is reviewed and approved by her firm. Rachel stated that a \$200,000 total cost for the platform would equate to 1.16% of the 15% contingency being used considering all change orders to date. She said a more accurate cost will be known next month following completion of the platform design. Rachel then stated that the next construction meeting would be on January 10, 2019.

Gallagher & Grink moved to accept the Engineer's report.

Passed: Aye-8, Nay-0, Absent-1

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

Grink & Gallagher moved to accept the Solicitor's report. Passed: Aye-8, Nay-0, Absent-1

Milot & Gallagher moved to accept the Investment Consultant's Report as provided.

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

BILLS AND CREDITS

George & Favock moved to approve payment of Gannett Fleming, Inc. invoices and requisitions from October 27, 2018 through November 23, 2018, totaling \$2,609.21 as listed in the following table:

<u>Requisition#</u>	<u>Invoice #</u>	<u>Description</u>	<u>Amount</u>
Operating Fund	051153.A*65793	Annual Service Work	\$ 1,970.15
Operating Fund	051153.B*65794	Attending Authority Meetings	\$ 639.06
		Total	\$ 2,609.21

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

George & Gallagher moved to approve payment of Gannett Fleming, Inc. Invoice #048847.C0*65792, in the amount of \$31,106.98, from October 27, 2018 through November 23, 2018, for the following Incinerator Project items: PENNVEST Administration (\$2,133.06), Air Permitting during Construction (\$273.89), Construction Administration (\$15,341.03), and Resident Observation (\$13,359.00).

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

George & Gallagher moved to Operating Fund in the amount of \$1,302,085.97 for Operating and Administrative Expenses (\$523,978.32); Construction in Progress (\$41,214.15); Transfers to Other Authority Accounts (\$215,730.00); Debt Service Series 2012-A Bond \$164,500.00); Debt Service Series 2012-B Bond (\$171,500.00); Debt Service Series 2018 Bond (\$8,998.63); Interest Expense Pennvest Loan #27906 (\$61.98); Debt Service Pennvest Loan #27769 (\$172,675.90); and Debt Service Pennvest Loan #58103 (\$3,426.99) from the month of November 2018.

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

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

Fayock & Gallagher moved to approve issued credits totaling \$1,286.89 from month of November 2018.

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

Gallagher & George moved to approve Requisition #C184, payable to Michael F. Ronca & Sons, Inc., totaling \$733,540.50, Payment Estimate #7 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 to #3 (-\$69,478.72) for a total contract of \$10,807,521.28. The total of payments made to date including this payment is \$3,305,115.25, which leaves a balance of \$7,502,406.03.

On the Question: Board Member Ammon asked the Solicitor why these approvals are identified as "payment estimates". Gregory Olander responded that the forms are titled Payment Estimate and Attorney Ustynoski and Rachel Govelovich responded that the terminology matches the language in the contract. Rachel added that although the work performed is reviewed by her firm, technically the work listed by the contractor on the form for approval is an estimate of work performed to date.

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

Grink & Gallagher moved to approve Requisition #C185, payable to George J. Hayden, Inc., totaling \$94,905.00, Payment Estimate #8 of the Incinerator installation Project - Contract Three (Electrical). The original contract price was \$794,400.00. Add for Change Orders #1 to #2 (\$2,810.00) for a total contract of \$797,210.00. The total of payments made to date including this payment is \$554,175.00, which leaves a balance of \$243,035.00.

On the Question: Board Member Ammon clarified that payment estimates are now payments as they relate to the project.

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

NEW BUSINESS

George & Gallagher moved to approve the sludge hauling and disposal service contract with Waste Management of Pennsylvania, Inc. as outlined in the Request for Proposal for the period beginning January 1, 2019 and ending December 31, 2019 at a price of \$306.00 per load Monday through Friday and \$346.00 per load for Saturday to each of the following landfills: Alliance Landfill, Commonwealth Environmental Systems Landfill, and Keystone Landfill.

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

George & Gallagher moved to approve the Assured Partners Worker's Compensation Proposal for calendar year 2019 from Lackawanna Insurance Group (Worker's Compensation Carrier) for a premium of \$69,332.00 using projected payroll amounts of \$2,300,000 for Waterworks Classification and \$140,000 for Clerical Classification.

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

George & Grink moved to enter executive session to discuss legal contract discussions.

Passed: Aye-8, Nay-0, Absent-1

After the Board moved out of executive session, **Milot & Gallagher** moved to adjourn.

Passed: Aye-8, Nay-0, Absent-1

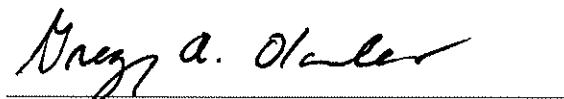
The meeting was adjourned at 7:15 PM

The next scheduled Work Session will be Wednesday, January 23, 2019 at 6:30 PM

The next scheduled Regular Monthly Meeting will be Monday, January 28, 2019 at 6:30 PM

Respectfully submitted,

Greater Hazleton Joint Sewer Authority



Gregory Olander, Assistant Secretary