

The August 26, 2019 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.

August 21, 2019 Work Session Roll Call:

Ammon – Present	Fayock – Absent	Gallagher – Present
George – Present	Grink – Absent	Milot – Present
Sherrock – Present	Sullivan – Present*	Zola – Present

Also in Attendance during Work Session:

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

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*Rachel Govelovich, P.E. – Gannett Fleming	Robert Dougherty, P.E. – RJD Engineering

\* via Telephone

\*\*Board Member Grink entered the meeting at 6:33 during the Director of Operations' Report

\*\*\*Board Member Fayock entered the meeting at 6:35 during the Engineer's Report

**PUBLIC COMMENT**

There was no public comment.

**George & Milot** moved to approve the minutes of the July 22, 2019 Regular Monthly Meeting.  
 Passed: Aye-7, Nay-0, Absent-2

Pension Committee Report –

Committee Chairman Grink reported that the Pension fund is up 12.2% for the calendar year so far. He said the recommendation from the Morgan Stanley Investment Advisor is to stay the course for now with a plan to invest in equities if the markets pull back. He said the Pension Plan administrator would be notified if changes are necessary; however, the portfolio would remain within the asset allocation model.

**Milot & Gallagher** moved to approve the Pension Committee Report as presented.

Roll Call: Ammon-yes, Fayock-absent, Gallagher-yes, George-yes, Grink-absent, Milot-yes, Sherrock-yes, Sullivan-yes, Zola-yes (Passed 7-0-2)

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

	<u>July 2019</u>		<u>Year to Date</u>		
			<u>Total</u>		<u>Average</u>
<b>Total Flow</b>	<b>257,891,405</b>	<b>Gallons</b>	<b>2,020,080,238</b>	<b>Gallon</b>	<b>xxxxx</b>
<b>Total Flow Bypassed</b>	<b>15,917,168</b>	<b>Gallons</b>	<b>130,893,008</b>	<b>Gallon</b>	<b>xxxxx</b>

<b>Days Flow Bypassed</b>	<u>7</u>	<b>Days</b>	<u>40</u>	<b>Days</b>	<u>xxxxx</u>
<b>Total Flow Treated</b>	<u>241,974,237</u>	<b>Gallons</b>	<u>1,889,187,230</u>	<b>Gallon</b>	<u>xxxxx</u>
<b>Average Minimum</b>	<u>5.2</u>	<b>MGD</b>	<u>xxxxx</u>	<b>xxxxx</b>	<u>6.3</u> <b>MGD</b>
<b>Average Maximum</b>	<u>16.2</u>	<b>MGD</b>	<u>xxxxx</u>	<b>xxxxx</b>	<u>15.3</u> <b>MGD</b>
<b>Average Daily Flow</b>	<u>7.8</u>	<b>MGD</b>	<u>xxxxx</u>	<b>xxxxx</b>	<u>8.9</u> <b>MGD</b>

During the Work Session, the Director of Operations, Christopher Carsia, reported on the wastewater flows for July 2019. He said the total volume of wastewater diverted from all point sources for the month was estimated to be 113.757 million gallons with 15.917 million gallons of treated outflow diverted at the treatment plant. He said approximately 8.722 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 257.9 million gallons with approximately 241.9 million gallons being treated. He also stated that the average daily flow to the treatment plant for the month was 7.8 MGD, which decreased the year-to-date flow to 8.9 MGD.

Christopher reported that the revenues for July 2019 were \$1,271,214.15, which was a 10.5% increase from the prior year. He said the billing for hauled waste received in July totaled \$233,051.90, which is an increase of 0.2% from the same month in the prior year. He said hauled waste revenues exceed projections by over \$1 million for the 2018-2019 fiscal year, which pushed overall revenues to \$13,868,205.18. Christopher also reported that the customer collections for the fiscal year were 99.35% from sewer customers, 101.41% for hauled waste customers, and 99.73% overall. Gregory Olander noted that for the prior three fiscal years, the overall collections rate was over 100% and that rate of collections was not sustainable.

Christopher then reported on the meeting with DEP and municipalities regarding the Act 537 Plan. He said most of the municipalities whose waste is treated at the Authority's treatment plant were in attendance. He said DEP gave a presentation on the improved water quality of the Black Creek, which is the receiving stream for the Authority's treatment plant discharge. He said due to mine reclamation and the WWTP improving its effluent, the stream now supports aquatic life and fish, which changes the point of first use from the Susquehanna River to the Black Creek. He said due to this change, the Authority's effluent limits will become more stringent. He noted that DEP also wants the Long Term Control Plan (LTCP) updated to minimize and/or eliminate Combined Sewer Overflows (CSO) in the system. He said elimination of CSOs will be very costly because it entails separation of combined lines, installation of individual treatment units, or construction of facilities to store the overflow water until it can be treated. Christopher said the treatment plant is permitted to accept 13.35 MGD hydraulically so it is not overloaded; however, based on historical data, about half the flow to the treatment plant is from Inflow and Infiltration (I/I). He said the last update was done in the 1980's and the Authority took the lead to coordinate the 201 Facilities Plan (now known as Act 537 Plan) with information coming from the municipalities and their engineers. He said although Act 537 planning is the responsibility of the municipalities, it appears the municipalities expect the Authority to take the lead in developing/coordinating the plan. He said in an effort to control spending, he suggests having Gannett Fleming coordinate the project moving forward and if the Authority ultimately takes responsibility for some of the municipal work, develop a Request for Proposals (RFP) for municipal Act 537 engineering work. Board Member Sullivan suggested the firms give a presentation with qualifications. Christopher then stated that DEP is also looking to lock the municipalities and Authority into a Consent Order & Agreement (CO&A) to document the corrective work that needs to be done into a firm schedule to make sure it is completed. He said once the CO&A is in place, capital improvement projects to correct the CSO discharges would be in the 10's of millions of dollars and could even approach \$100 million. Board Member Ammon asked

where the Sewer Authority fits into this and he noted that the water is coming from the storm sewers so it should not be the Authority's responsibility. Gregory Olander responded that the Authority has permitted CSO outfalls listed in the NPDES Permit, so the Authority would be responsible for the combined sewage discharges to the streams from these locations. Rachel Govelovich commented that the Act 537 planning is the responsibility of each municipality to complete for its municipal area including development of future growth and sewage flow projections from all customers and to ensure sewage facilities will be adequate for existing and future flows. She said the Authority is then responsible for taking the municipality information and confirming that Authority conveyance and treatment facilities are adequate for those projected flows. She also said the LTCP is the responsibility of the Authority because it addresses the CSOs, which are in the Authority's discharge permit. Gregory noted that the projects to reduce and or eliminate the CSO discharges are part of a long term approach over the next 20 or more years. Christopher asked that Gannett Fleming send a letter to the municipalities requesting individual meetings with the Authority to determine how they want to proceed with the plan.

Andy Nowak then reported that there was a 12-inch force main break on Vine and Walnut streets in the City of Hazleton. Christopher Carsia stated that the Locust Street Force Main was replaced by a contractor in 1992 under an emergency contract. Andy noted that a 45 degree elbow was found to be worn and not anchored in place with concrete. He said the pipe is Class 52 Ductile Iron and it is in very good condition, but the elbows appear to be wearing more quickly. He said there is another elbow a few feet away from the first break that should also be replaced. He said DEP was notified of the break and the written notice requirements were followed. He stated that DEP was informed of the need for additional replacements to the elbows and they asked for advanced notice of when the work will be scheduled. Andy then reported that the easement was received for the Jaycee Drive Line Relocation Project and the tree removal contractor was set to begin work. Board Member Grink asked how long it would take to complete the work. Andy responded that the materials are ordered and it should take a few months to complete the work using the Authority's staff.

Gregory Olander informed the Board that the fourth payment request was received from PENNVEST on August 1, 2019 in the amount of \$1,771,653.91. He said monthly interest payment to PENNVEST increased to \$913.96 for the September payment and \$924.42 thereafter until another payment is received from PENNVEST. Gregory then informed the Board that he spoke with Chris Gibbons of Concord Financial Services regarding possible savings by refunding the Series 201 A & B bonds in January 2020. He said at current market conditions Mr. Gibbons informed him that there is a potential to save an estimated \$895,000. He asked the Board if they wanted Mr. Gibbons to come to a Board Meeting to discuss this with the Board and they agreed. Gregory also discussed the replacement of the Authority's computer network firewall with a newer unit because the current unit is nearing end of life. He discussed the particulars of the new unit and said that he would move forward with the upgrade.

*\*\*\*Board Member Grink entered the meeting at this time.*

**Gallagher & Milot** moved to accept the Director of Operations Report and to have the written report on diverted flows made a permanent part of the record.

Roll Call: Ammon-yes, Fayock-absent, Gallagher-yes, George-yes, Grink-yes, Milot-yes, Sherrock-yes, Sullivan-yes, Zola-yes (Passed 8-0-1)

**Engineer's Report** – During the Work Session, Rachel Govelovich distributed a written Engineer's Report and reported that there has still 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 PENNVEST

Payment Request #4 totaling \$1,771,653.91 was received on August 1, 2019. She said that the Suez delay claim would be discussed in executive session. Rachel then summarized the construction progress for the month as listed in the written Engineer's Report. She then reported on a change order from Ronca in the amount of \$5,145.00 for a specialty coating to be applied to the inside of the ammonia containment area to prevent corrosion now that the tank is located outside. She recommended the change order for approval. She then reported that Ronca's Payment Estimate #15 in the amount of \$628,843.00, Master Mechanical Payment Estimate #5 in the amount of \$25,744.50, and 360water, Inc. Payment #2 in the amount of \$5,500.00 are on the agenda and recommended for Board approval. She also stated that an incinerator job conference was held on August 8, 2019. She reported that Ronca applied for a four (4) month extension to the contract due to the centrifuge delivery being delayed. She said the other contractors would also require the extension and it would be formalized as a no cost change order for Board approval and documentation purposes.

Rachel then reported that Gannett Fleming provided the Authority with a report outlining the causes of the SCADA server failure and outlined recommendations to migrate to a more reliable system. She reviewed the recommendations contained in the report and stated that her firm is recommending Option B to provide the most reliable system. Rachel then stated that a site visit was performed for the annual operating report, which was submitted to the Trustee before August 1<sup>st</sup> as required in the Authority's trust indenture.

Robert Dougherty provided a written report for the Board. He stated that construction on the West Hazleton Area #2 Stormwater Separation Project is approximately 70% complete and there have been no major issues on the job. He said a single change order was submitted for \$6,920.61 to lower a water main that was in conflict with the sewer pipes being installed. He said HCA was contacted and there was a \$25,000 allowance in the contract to relocate up to twenty-five (25) water service laterals; however, only eight (8) have been moved so there may be money available to cover the change order. He said the easement was received from Can Do and filed for the Jaycee Drive Sewer Line Relocation Project. Robert then stated that flow monitoring continues at the three (3) locations for the Mill Street Diversion Chamber closure, two (2) locations near 22<sup>nd</sup> Street and Vine Street as part of the investigative work for the Area 10 Project in the City of Hazleton, and one (1) location conveying flow to the Locust Street Pump Station from Areas 2A and 2B in the City of Hazleton.

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

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

**Solicitor's Report** – Attorney Ustynoski reported that in addition to what he reported in executive session, he had nothing additional to report.

**Milot & Gallagher** moved to accept the Solicitor's report. Passed: Aye-9, Nay-0, Absent-0

#### **BILLS AND CREDITS**

**George & Gallagher** moved to approve payment of Gannett Fleming, Inc. invoices and requisitions from June 29, 2019 through August 2, 2019, totaling \$12,305.11 as listed in the following table:

<u>Requisition#</u>	<u>Invoice #</u>	<u>Description</u>	<u>Amount</u>
Operating Fund	051153.A*79552	Annual Service Work	\$ 9,351.18
Operating Fund	051153.B*79554	Attending Authority Meetings	\$ 571.88
Operating Fund	051153.AJ*79553	Wastewater Capacity Issues	\$ 2,382.05
Total			\$ 12,305.11

Roll Call: Ammon-yes, Fayock-yes, Gallagher-yes, George-yes, Grink-yes, Milot-yes, Sherrock-yes, Sullivan-yes, Zola-no (Passed 8-1)

**Gallagher & Milot** moved to approve payment of Gannett Fleming, Inc. Invoice #048847.C0\*79551, in the amount of \$61,885.21, from professional services rendered through August 2, 2019 relative to the following Incinerator Project items: PENNVEST Administration (\$1,018.13), Air Permitting during Construction (\$5,435.38), Construction Administration (\$35,919.67), and Resident Observation (\$19,512.03).

Roll Call: Ammon-yes, Fayock-yes, Gallagher-yes, George-yes, Grink-yes, Milot-yes, Sherrock-yes, Sullivan-yes, Zola-no (Passed 8-1)

**Gallagher & George** moved to approve Requisition #C199, payment to Michael F Ronca & Sons, Inc., totaling \$628,843.00 for Payment Estimate #15 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 Orders #1 to #7 (\$154,347.01) for a total contract of \$11,031,347.01. The total of payments made to date including this payment is \$8,063,739.67 which leaves a balance of \$2,967,607.34.

Roll Call: Ammon-yes, Fayock-yes, Gallagher-yes, George-yes, Grink-yes, Milot-yes, Sherrock-yes, Sullivan-yes, Zola-no (Passed 8-1)

**Gallagher & Milot** moved to approve Requisition #200, payment to 360water, Inc., totaling \$5,500.00 for Payment #2 for the development and hosting of interactive online training modules for the Fluidized Bed Incinerator. Original contract price was \$148,000.00. Total of payments made to date including this payment is \$13,000.00, which leaves a balance of \$135,000.00.

Board Member Zola asked for a brief explanation of this payment. Gregory Olander responded that it was for software modules to be developed to train the operators on the incinerator.

Roll Call: Ammon-yes, Fayock-yes, Gallagher-yes, George-yes, Grink-yes, Milot-yes, Sherrock-yes, Sullivan-yes, Zola-yes (Passed 9-0)

**Gallagher & George** moved to approve Requisition #C201, payment to Wexcon, Inc., totaling \$167,611.50 for Payment Estimate #2 of the West Hazleton Sewer Separation Project (Area 2). The original contract price was \$728,840.00. The total of payments made to date including this payment is \$280,687.50, which leaves a balance of \$448,152.50

Roll Call: Ammon-yes, Fayock-yes, Gallagher-yes, George-yes, Grink-yes, Milot-yes, Sherrock-yes, Sullivan-yes, Zola-yes (Passed 9-0)

**Gallagher & Milot** moved to approve Requisition #C202, payment to Master Mechanical Corporation, totaling \$25,744.50 for Payment Estimate #5 of the Incinerator Installation Project - Contract Two (Mechanical). The original contract price was \$123,500.00. The total of payments made to date including this payment is \$84,240.00, which leaves a balance of \$39,260.00

Roll Call: Ammon-yes, Fayock-yes, Gallagher-yes, George-yes, Grink-yes, Milot-yes, Sherrock-yes, Sullivan-yes, Zola-no (Passed 8-1)

**Gallagher & George** moved to authorize payment from the Operating Fund for Operating and Administrative Expenses (\$666,532.25); Construction in Progress (\$90,181.06); Equipment and/or Office Equipment (\$5,300.00); Debt Service - Series 2018 Bond - BB&T (\$8,998.63); Interest Expense Pennvest Loan #27906 (\$545.54); Debt Service Pennvest Loan #27769 (\$172,675.90); and Debt Service Pennvest Loan #58103 (\$3,426.99) from the month of July 2019.

Roll Call: Ammon-no\*, Fayock-yes, Gallagher-yes, George-yes, Grink-yes, Milot-yes, Sherrock-yes, Sullivan-yes, Zola-yes (Passed 8-1)

*\*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.*

**Gallagher & Grink** moved to approve issued credits totaling \$872.82 from the month of July 2019. Roll Call: Ammon-yes, Fayock-yes, Gallagher-yes, George-yes, Grink-yes, Milot-yes, Sherrock-yes, Sullivan-yes, Zola-yes (Passed 9-0)

#### NEW BUSINESS

**Gallagher & Grink** moved to approve Change Order #9 of the Incinerator Installation Project - Contract One (General Construction) as recommended by the engineer, in the amount of \$5,145.00 to apply Tnemec Series 282 Tneme-Glaze protective coating to the interior of the ammonia structure concrete containment area.

Roll Call: Ammon-yes, Fayock-yes, Gallagher-yes, George-yes, Grink-yes, Milot-yes, Sherrock-yes, Sullivan-yes, Zola-no (Passed 8-1)

**Gallagher & George** moved to approve the recommendations listed in Option B of the Wonderware Server Failure Analysis Report dated July 17, 2019 to improve the SCADA system hardware, software, and network components with bid and purchase specifications to be developed by the engineer for the Board's final approval before purchase or advertisement.

Roll Call: Ammon-yes, Fayock-yes, Gallagher-yes, George-yes, Grink-yes, Milot-yes, Sherrock-yes, Sullivan-yes, Zola-yes (Passed 9-0)

**Milot & George** moved to adjourn.

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

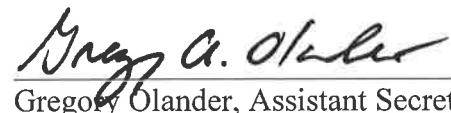
The regular meeting was adjourned at 7:07 PM

The next scheduled Work Session will be Thursday, September 12, 2019 at 6:30 PM

The next scheduled Regular Monthly Meeting will be Monday, September 16, 2019 at 6:30 PM

Respectfully submitted,

**Greater Hazleton Joint Sewer Authority**



Gregory Olander, Assistant Secretary