

The September 16, 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.

September 12, 2019 Work Session Roll Call:

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

Also in Attendance during Work Session:

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

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*Rachel Govelovich, P.E. – Gannett Fleming	Attorney Joseph D. Ustynoski – Solicitor
Christopher Gibbons – Concord Financial Advisors	Robert Dougherty, P.E. – RJD Engineering
* via Telephone	

PUBLIC COMMENT

There was no public comment.

Sullivan & George moved to approve the minutes of the August 26, 2019 Regular Monthly Meeting. Passed: Aye-8, Nay-0, Absent-1

Sullivan & Fayock moved to approve the minutes of the August 21, 2019 Pension Meeting. Passed: Aye-8, Nay-0, Absent-1

Director of Operations Report - MONTHLY FLOW REPORT

	<u>August 2019</u>		<u>Year to Date</u>		
			<u>Total</u>		<u>Average</u>
Total Flow	<u>172,496,197</u>	Gallons	<u>2,192,576,435</u>	Gallon	xxxxx
Total Flow Bypassed	<u>1,389,161</u>	Gallons	<u>132,282,169</u>	Gallon	xxxxx
Days Flow Bypassed	<u>4</u>	Days	<u>44</u>	Days	xxxxx
Total Flow Treated	<u>171,107,036</u>	Gallons	<u>2,060,294,266</u>	Gallon	xxxxx
Average Minimum	<u>3.4</u>	MGD	xxxxx	xxxxx	<u>5.9</u> MGD
Average Maximum	<u>9.7</u>	MGD	xxxxx	xxxxx	<u>14.6</u> MGD
Average Daily Flow	<u>5.5</u>	MGD	xxxxx	xxxxx	<u>8.5</u> MGD

During the Work Session, the Director of Administration, Gregory Olander, reported on the wastewater flows for August 2019. He said the total volume of wastewater diverted from all point sources for the month was estimated to be 30.227 million gallons with 1.389 million gallons of treated outflow diverted at the treatment plant. He said approximately 2.571 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 172.5 million gallons with approximately 171.1 million gallons being

treated. He also stated that the average daily flow to the treatment plant for the month was 5.5 MGD, which decreased the year-to-date flow to 8.5 MGD.

Gregory reported that the revenues for August 2019 were \$1,073,628.06, which was a 6.5% decrease from the prior year. He said the billing for hauled waste received in August totaled \$206,659.42, which is an decrease of 22.3% from the same month in the prior year.

Gregory then reported that payment was received from Northeast Revenue, LLC for balances due and owing the Authority from properties sold during the October 25, 2018 Judicial Sale. He said \$35,826.54 was received, which included a large balance due on the Hazleton Partners, LP property (Altamont). He then stated that a new security device was ordered for the computer networks to improve security and to replace a device at End of Life (EOL). He reported that cyber security was a hot topic at the state's PMAA Conference and there were several suggested improvements noted during the conference sessions to enhance cyber security and combat criminal activity, which will be discuss in greater detail during executive session.

Gregory also reported that a letter to the contributing municipalities regarding follow-up meetings relative to Act 537 planning has been drafted by Gannett Fleming and is being reviewed by management. He then stated that the fieldwork for the 2019 financial audit was scheduled for the week of September 30, 2019. He said Mr. Nonnemacher is expecting to make his presentation to the Board at the November Work Session.

Andy Nowak then reported on the Jaycee Drive Line Relocation Project that is being undertaken due to the movement in the bridge abutment where a sewer main is currently located. He said the contractor completed clearing of trees at the worksite and the pipe delivery is anticipated next week. He said a silt barrier was being erected in the construction area so work can begin once the materials are received. He then reported that the contractor for the West Hazleton Area 2 Separation Project, Wexcon, Inc., has completed the pipe installation work and they are set to begin street restoration.

During the Regular Meeting, Christopher Gibbons of Concord Financial Advisors made a presentation to the Board for the refunding of the Series of 2012 A & B Bonds. He stated that he has been monitoring the bond market to determine if there is a potential for savings by refunding the bonds and he contacted Mr. Olander to discuss a substantial savings. He said the bonds are callable in May 2020, but the refinance can be settled at February 15, 2020 with a rate lock at January 1, 2020. He reviewed a handout with the Board and noted that current market conditions are close to the historical low point since 2007 for 25-year municipal bond rates. He said that he would compare the savings that could be realized from refinancing through bank loans or a bond issue. Board Member Ammon asked if Bond Counsel fees were included in the cost calculations. Mr. Gibbons responded that estimated Bond Counsel fees were included in the estimated issuance costs. He then reviewed an engagement letter, which outlines his deliverables and fees associated with the refinancing, including \$4,000 for the coordination and printing of the Preliminary Official Statement (POS). He stated that he is only paid if a financing is completed.

Attorney Ustynoski then reported on behalf of Christopher Carsia relative to a new natural gas contract with UGI Energy Services. He said the natural gas prices have risen over the past weeks so execution of a contract is on hold until prices come back down in the natural gas commodity index.

Sullivan & George 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-yes, Gallagher-yes, George-yes, Grink-yes, Milot-yes, Sherrock-yes, Sullivan-yes, Zola-absent (Passed 8-0-1)

Engineer's Report – During the Work Session, Rachel Govelovich distributed a written Engineer's Report and stated that there has still been no formal response to the Authority's comments on the draft NPDES permit from DEP. She stated that a meeting was held on June 30, 2019 at the DEP Wilkes-Barre Office to outline the Act 537 Plan Update requirement with all municipalities connected directly or indirectly to the Authority's treatment plant. She said update of the Authority's Long Term Control Plan (LTCP) was also discussed and is expected to coincide with Act 537 planning. She said a letter to schedule individual municipal meetings with the Authority was drafted by Gannett Fleming and is being reviewed by Authority management. She then reported on the Incinerator Project. She said PENNVEST Payment Request #5 was drafted and will be submitted to PENNVEST near the end of the month. She reported that the Authority's project was selected for a partial audit and she and Mr. Olander met with the state's auditor on August 28, 2019 after providing all requested information. She said the audit went well and there has been no request for additional information since the meeting. Rachel then summarized the construction progress for the month as listed in the written Engineer's Report and through a slideshow presentation.

She then reported on Change Order #10 from Ronca in the amount of \$157,613.88 for the addition of a carbon monoxide monitoring and quench water system to the Granulated Activated Carbon (GAC) system. She reviewed the Suez historic experience with GAC systems and their recommendation to add this system to the Authority's GAC. She said the engineering design would be provided by Suez and the installation would be performed by Ronca. She said the price includes everything except electrical, which won't be quoted until the design is completed. Board Member Sullivan asked if there was a contingency amount for this project. Gregory Olander responded that there was a 15% contingency approved totaling \$1,769,000 for the project and of that amount there would be a remaining balance of \$1,322,069.11 after approval of Change Order #10. She recommended the change order for approval. Rachel then supplied the Board with a printout of the updated construction schedule and she noted that the startup has slipped a bit due to equipment delays, primarily the centrifuge, and progress under the electrical contract. She said quite a bit of electrical control wiring still needs to be completed to enable the systems to be started for dry-out. She said dry-out was originally scheduled for September 1, 2019, but now it is expected for November 6, 2019. She said the substantial completion date was moved to January 15, 2020 and final completion was moved to April 15, 2020. She then reported that Ronca's Payment Estimate #16 in the amount of \$559,753.30 is on the agenda and recommended for Board approval. She also stated that an incinerator job conference was held on September 12, 2019.

Rachel then reported that Gannett Fleming and Authority staff communicated to provide the scope of bidding documents for the purchase of a new SCADA Server. She said the Authority would be purchasing some of the required computer components through the state's COSTARS Program.

Robert Dougherty provided a written report for the Board. He stated that pipe work on the West Hazleton Area #2 Stormwater Separation Project has been completed. He said the trench restoration crew will begin and it should take about three weeks to complete. He reported that the roof drain removal phase of the separation project is ongoing with 81 of the 189 identified roof drains disconnected. Robert then stated that flow monitoring continues at the three (3) locations for the Mill Street Diversion Chamber closure, two (2) locations near 22nd 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.

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

Solicitor's Report – Attorney Ustynoski reported that in addition to what he reported in executive session during the Work Session, he revised the Vac Truck sale letter per the Board's direction. He said the letter is addressed to the three (3) incorporating municipalities with a minimum bid of \$115,000. He said the bids are due to be received on October 28, 2019. Board Member Milot suggested the bids be due at the Work Session a motion could be voted on at the regular meeting on Monday. The Board agreed and Attorney Ustynoski stated that he would make the change and send the letters.

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

BILLS AND CREDITS

Gallagher & George moved to approve payment of Gannett Fleming, Inc. invoices and requisitions from August 3, 2019 through August 30, 2019, totaling \$4,575.47 as listed in the following table:

<u>Requisition#</u>	<u>Invoice #</u>	<u>Description</u>	<u>Amount</u>
Operating Fund	051153.A*80845	Annual Service Work	\$ 3,580.30
Operating Fund	051153.B*80846	Attending Authority Meetings	\$ 723.72
Operating Fund	051153.D*80847	Pretreatment Program	\$ 271.45
Total			\$ 4,575.47

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

Sullivan & Gallagher moved to approve payment of Gannett Fleming, Inc. Invoice #048847.C0*80844, in the amount of \$46,045.69, from professional services rendered through August 30, 2019 relative to the following Incinerator Project items: PENNVEST Administration (\$2,676.38), Air Permitting during Construction (\$2,121.53), Construction Administration (\$24,918.25), and Resident Observation (\$16,329.53).

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

George & Gallagher moved to approve Requisition #C203, payment to Michael F Ronca & Sons, Inc., totaling \$559,753.30 for Payment Estimate #16 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 #9 (\$159,492.01) for a total contract of \$11,036,492.01. The total of payments made to date including this payment is \$8,623,492.97 which leaves a balance of \$2,412,999.04.

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

Gallagher & Sullivan moved to approve Requisition #C204, payment to Master Mechanical Corporation, totaling \$8,550.00 for Payment Estimate #6 of the Incinerator Installation Project - Contract Two (Mechanical) as recommended by the Engineer. The original contract price was \$123,500.00. The total of payments made to date including this payment is \$92,790.00, which leaves a balance of \$30,710.00.

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

Gallagher & Sullivan moved to approve Requisition #C205, payment to Wexcon, Inc., totaling \$204,168.75 for Payment Estimate #3 of the West Hazleton Sewer Separation Project (Area 2) as recommended by the Engineer. The original contract price was \$728,840.00. The total of payments made to date including this payment is \$484,856.25, which leaves a balance of \$243,983.75.

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

Gallagher & Sullivan moved to authorize payment from the Operating Fund for Operating and Administrative Expenses (\$817,477.04); Construction in Progress (\$85,680.11); Equipment and/or Office Equipment (\$451,644.00); Transfer to Other Authority Accounts (\$827,699.00); Debt Service Series 2012-A Bond (\$165,000.00); Debt Service Series 2012-B Bond (\$174,000.00); Debt Service - Series 2018 Bond - BB&T (\$8,998.63); Interest Expense Pennvest Loan #27906 (\$610.69); Debt Service Pennvest Loan #27769 (\$172,675.90); and Debt Service Pennvest Loan #58103 (\$3,426.99) from the month of August 2019.

Roll Call: Ammon-no*, Fayock-yes, Gallagher-yes, George-yes, Grink-yes, Milot-yes, Sherrock-yes, Sullivan-yes, Zola-absent (Passed 7-1-1)

**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 \$1,216.69 from the month of August 2019.

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

NEW BUSINESS

Gallagher & George moved to approve Change Order #10 of the Incinerator Installation Project - Contract One (General Construction) as recommended by the Engineer, in the amount of \$157,613.88 to install carbon monoxide monitoring and a quenching system to the Granular Activated Carbon (GAC) adsorption vessel as a safety precaution to identify potential for fires and to extinguish a fire in the event it develops inside the vessel.

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

Milot & Gallagher moved to adjourn.

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

The regular meeting was adjourned at 6:57 PM

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

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

Respectfully submitted,

Greater Hazleton Joint Sewer Authority



Gregory Orlander, Assistant Secretary