

The January, 2020 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.

January 22, 2020 Work Session Roll Call:

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

Also in Attendance during Work Session:

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

January 27, 2020 Regular Meeting Roll Call:

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

Also in Attendance during Regular Meeting:

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

* via Telephone

PUBLIC COMMENT

There was no public comment.

Grink & Sullivan nominated Christopher Carsia as Temporary Chairman for Reorganization.

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

NOMINATION OF OFFICERS

George & Gallagher moved to retain the same officers as in 2019 as follows:

- Theodore Sherrock** as Chairman
- Frank George** as Vice-Chairman
- William Gallagher** as Secretary
- John Milot** as Treasurer
- John Sullivan** as Assistant Treasurer

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

Gallagher & Sullivan moved to close the nominations. Passed: Aye-9, Nay-0, Absent-0

APPOINTMENTS BY THE BOARD

George & Fayock moved that the Ustynoski & Marusak law firm with representation by Attorney Joseph D. Ustynoski be reappointed as Solicitor for the Authority.

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

Sullivan & Grink moved to appoint Morgan Stanley as the Investment Consultant for the Authority with representation by Howard Willard III and Stephen Kepchar.

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

Milot & Gallagher moved that Snyder & Clemente, CPA with representation by John Nonnemacher, CPA be reappointed as Auditor for the Authority.

Roll Call: Ammon-no, Fayock-yes, Gallagher-yes, George-yes, Grink-yes, Milot-yes, Sherrock-yes, Sullivan-yes, Zola-yes (Passed 8-1-0)

George & Fayock moved that Gannett Fleming, Inc. with representation by Rachel Govelovich, P.E. be reappointed as Consulting Engineer for the Authority.

On the Question: There was discussion by the Board and Rachel Govelovich concerning the Gannett Fleming employee increases for the 2020 calendar year. Rachel stated that her firm is not implementing employee increases this year until March; therefore, increases will be available at that time.

Grink & Sullivan 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, **Ammon & Sullivan** moved to table the motion to appoint Gannett Fleming as consulting engineer.

Roll Call on the Motion to Table: Ammon-yes, Fayock-no, Gallagher-yes, George-yes, Grink-yes, Milot-yes, Sherrock-yes, Sullivan-yes, Zola-yes (Passed 8-1-0)

George & Fayock moved that RJD Engineering, Inc. with representation by Robert Dougherty, P.E. be reappointed as Special Projects Engineer for the Collection System Division as per the rate proposal presented for calendar year 2020, which includes a 2.7% increase from the prior year.

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

Fayock & Zola moved to approve the minutes of the December 4, 2019 Special Meeting.

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

Gallagher & Fayock moved to approve the minutes of the December 23, 2019 Regular Monthly Meeting. Passed: Aye-9, Nay-0, Absent-0

Presentation by Christopher Gibbons of Concord Public Finance for Refunding the 2012 Bonds

Christopher referenced a handout he provided to the Board. He said there was interest from 36 banks who received the Request for Proposal (RFP) that he prepared for the financial institutions. He said proposals were received from 22 banks and they were reviewed to find the best proposal. He said the level of interest from the banks indicates the Authority's good standing in the credit market. He said the best bank proposal would yield a savings of approximately \$975,000 versus a current savings of approximately \$1.2 million by refunding with a new bond issue. He then asked the Board if they wanted to pursue the refinancing and whether they wanted to use a bank loan or bond issue. Board Member Ammon asked Mr. Gibbons for his recommendation. Christopher stated that a \$250,000 difference between the bank loan and a bond issue is a significant savings so his recommendation would be to proceed with a bond issue. He then asked if the Board had an idea which underwriter they want to use for the Bond refinancing. He said PNC Capital Markets has been used by the Authority in the past. Board Member George stated that PNC has always done a good job for the Authority in the past so he sees no reason to make a change for this Bond refinancing. Christopher thanked the Board and exited the meeting.

Director of Operations Report - MONTHLY FLOW REPORT

	<u>December 2019</u>		<u>Year to Date</u>		
			<u>Total</u>	<u>Average</u>	
Total Flow	<u>218,844,825</u>	Gallons	<u>2,982,572,194</u>	Gallon	xxxxx
Total Flow Bypassed	<u>242,584</u>	Gallons	<u>150,879,539</u>	Gallon	xxxxx
Days Flow Bypassed	<u>1</u>	Days	<u>55</u>	Days	xxxxx
Total Flow Treated	<u>218,602,241</u>	Gallons	<u>2,831,692,655</u>	Gallon	xxxxx
Average Minimum	<u>4.7</u>	MGD	xxxxx	xxxxx	<u>5.3</u> MGD
Average Maximum	<u>10.1</u>	MGD	xxxxx	xxxxx	<u>13.3</u> MGD
Average Daily Flow	<u>7.1</u>	MGD	xxxxx	xxxxx	<u>7.8</u> MGD

During the Work Session, the Director of Operations, Christopher Carsia, reported on the wastewater flows for December 2019. He said the total volume of wastewater diverted from all point sources for the month was estimated to be 3.395 million gallons with 0.243 million gallons of treated outflow diverted at the treatment plant. He said approximately 0.281 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 218.8 million gallons with approximately 218.6 million gallons being treated. He also stated that the average daily flow to the treatment plant for the calendar year was 7.8 MGD, which is below the permitted annual average daily flow of 8.9 MGD.

Christopher informed the Board that retiree Joseph McHugh had recently passed away. He said Joe worked at the plant for nearly 40 years and will be missed by all who worked with him over the years.

Christopher reported that the revenues for December 2019 were \$996,300.65, which was a 5.1% decrease from the prior year. He said the billing for hauled waste received in December totaled \$151,729.00, which is a decrease of 24.1% from the same month in the prior year.

Christopher reported that the incinerator bake-out was started on January 21st and system checks are ongoing. He said meetings have been scheduled with some of the municipalities in the Authority’s service area for the Act 537 Plan. He said he and Authority representatives already met with Hazleton City and West Hazleton Borough officials and during those meetings it was discussed that the storm sewer inlets would need to be cleaned out to accurately record flows in the system, which is a requirement of the Plan. He said the inlet cleaning could be part of the Act 537 Plan request for proposals (RFP) to ensure valid data is available.

Christopher then informed the Board of the dates for the annual national WEFTEC Conference, and two Pennsylvania State water/wastewater conferences. He said to let him know if there is interest in attending.

Gregory Olander reported that PENNVEST Reimbursement #6 was submitted on January 8, 2020 in the amount of \$1,809,344.44. He said it usually takes about three weeks to receive payment. He then reported that the newly installed centrifuge has been operating very well for solids processing over the past week. He said operators and utility persons received training on the centrifuge and 360water was onsite to document the training and to develop a module for the Authority’s training purposes going forward. Gregory also reported on the incinerator noting that the GAC vessel was filled with carbon on

January 22, 2020 and instrument calibration is ongoing. He said startup of the incinerator is expected for the week of February 10, 2020 providing no other issues arise.

Andy Nowak reported that the federal government started an online reporting of drug testing for Commercial Driver's License (CDL) drivers. He said this is a new law with random testing that is required. He said there is no municipal exception for Authority employees so he is researching third party firms that provide the testing and reporting service. Andy then reported on the Jaycee Drive Sewer Line Relocation project. He said 1,000 feet of pipe has been installed, which is about 2/3 complete. He said the weather has been favorable this winter, which is allowing the project to progress at a good pace.

Gallagher & 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 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 then reported on the Incinerator Project. She said PENNVEST Payment Request #6 was submitted and has been approved for payment in the amount of \$1,809,344.44. She said several change orders are under internal QAQC prior to submitting to PENNVEST and DEP for approval. She said DEP approved the change order for the GAC Quench System on January 8, 2020. She then reported on the construction progress noting that bake-out began on January 21, 2020 and Phase 1 CEMS was resubmitted to DEP. Rachel reviewed a change order request from George J. Hayden Electric in which they are requesting additional money due to a contract extension. She said her firm has reviewed the change order and several of the items do not have the necessary back-up required to recommend approval. Attorney Ustynoski recommended the Board move to executive session to discuss negotiations and a potential legal issue regarding the change order request.

Sullivan & Grink 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, Rachel reported that Ronca's Payment Estimate #20 in the amount of \$144,808.88 and Hayden's Payment Estimate #12 in the amount of \$36,900.90 are on the agenda and recommended for Board approval. She also stated that the monthly incinerator job conference was held on January 9, 2020

Rachel then reported that Gannett Fleming is finalizing bid documents for the SCADA hardware/software upgrade, which have been sent to Authority staff for review and comment prior to advertisement. She also reported that a grant application through the Commonwealth Financing Authority (CFA) was submitted prior to the December 13, 2019 deadline for a CSO Separation Project to eliminate the Locust Street CSO point source. She said the amount of the grant request is \$4,031,643.00 of an overall project cost of \$6,047,160.00. Rachel then reported that the bid specifications for 2020 WWTP Upgrades are being prepared, which includes installation of the final clarifier and gravity thickener mechanisms along with the concrete work and roofing work. She also reported that initial meetings were held on January 15, 2020 with Hazleton City and West Hazleton Borough relative to the Act 537 Plan and additional meetings are scheduled for February 11, 2020 with Hazle Township and Sugarloaf Township.

During the regular meeting, Robert Dougherty provided a written report to the Board. He stated that the roof drain removal phase of the West Hazleton Area #2 Stormwater Separation Project is ongoing with 168 of the 189 identified roof drains disconnected in the area to date. He said there are 21 roof drains that still need to be removed and the next step would be going door-to-door to try and get below 10 remaining disconnections prior to flow monitoring. Robert then stated that flow monitoring continues at

the Mill Street Diversion Chamber closure and Locust Street Pump Station from Areas 2A and 2B in the City of Hazleton.

Gallagher & Sullivan moved to accept the Engineer’s report. Passed: Aye-9, Nay-0, Absent-0

Solicitor’s Report – Attorney Ustynoski thanked the Board for reappointing his firm. He then stated that in addition to what he reported in executive session, he had nothing additional to report.

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

BILLS AND CREDITS

Gallagher & Ammon moved to approve payment of Gannett Fleming, Inc. invoices and requisitions from November 23, 2019 through December 27, 2019, totaling \$5,474.25 as listed in the following table:

<u>Requisition#</u>	<u>Invoice #</u>	<u>Description</u>	<u>Amount</u>
Operating Fund	051153.A*87887	Annual Service Work	305.00
Operating Fund	051153.B*87889	Attending Authority Meetings	457.50
Operating Fund	051153.D*87890	Pretreatment Program	271.45
Operating Fund	051153.AG*87888	Financing & Grants	3,206.88
Operating Fund	051153.03*87885	Hillwood Development	67.86
Operating Fund	051153.04*87886	SCADA Server Upgrade	1,165.56
Total			5,474.25

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

Gallagher & Fayock moved to approve payment of Gannett Fleming, Inc. Invoice #048847.C0*87884, in the amount of \$36,239.61, from professional services rendered through December 27, 2019 relative to the following Incinerator Project items: PENNVEST Administration (\$2,714.50), Air Permitting during Construction (\$3,131.32), Construction Administration (\$14,272.32), and Resident Observation (\$16,121.47).

Roll Call: Ammon-yes, Fayock-yes, Gallagher-yes, George-yes, Grink-yes, Milot-yes, Sherrock-yes, Sullivan-yes, Zola-no (Passed 8-1-0)

Gallagher & Ammon moved to approve Requisition #C213, payment to Michael F. Ronca & Sons, Inc., totaling \$144,808.88 for Payment Estimate #20 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 #14 (\$347,057.29) for a total contract of \$11,224,057.29. The total of payments made to date including this payment is \$10,415,639.85, which leaves a balance of \$808,417.44.

Roll Call: Ammon-yes, Fayock-yes, Gallagher-yes, George-yes, Grink-yes, Milot-yes, Sherrock-yes, Sullivan-yes, Zola-no (Passed 8-1-0)

Gallagher & Ammon moved to approve Requisition #C214, payment to George J. Hayden, Inc., totaling \$36,900.90, for payment Estimate #12 of the Incinerator Installation Project – Contract Three (Electrical) as recommended by the Engineer. The original contract price was \$794,400.00. add for Change Orders #1 to #7 (\$21,472.00) for a total contract price of \$815,872.00. The total of payments made to date including this payment is \$704,326.50, which leaves a balance of \$111,545.50.

Roll Call: Ammon-yes, Fayock-yes, Gallagher-yes, George-yes, Grink-yes, Milot-yes, Sherrock-yes, Sullivan-yes, Zola-no (Passed 8-1-0)

Gallagher & Fayock moved to authorize payment from the Operating Fund for Operating and Administrative Expenses (\$555,134.38); Construction in Progress (\$48,836.96); Transfers to Authority Accounts (\$1,062,493.96); Debt Service Series 2018 Bond - BB&T (\$8,998.63); Interest Expense Pennvest Loan #27906 (\$1,295.43); Debt Service Pennvest Loan #27769 (\$172,675.90); and Debt Service Pennvest Loan #58103 (\$3,426.99) from the month of December 2019.

Roll Call: Ammon-no*, Fayock-yes, Gallagher-yes, George-yes, Grink-yes, Milot-yes, Sherrock-yes, Sullivan-yes, Zola-yes (Passed 8-1-0)

**Board Member Ammon votes no for all payments except those for the Hazleton City Authority (HCA) for which he abstains.*

Zola & Fayock moved to approve issued credits totaling \$11,931.43 from the month of December 2019.

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

NEW BUSINESS

George & Sullivan moved to authorize refinancing of the Authority's Series 2012-A and Series 2012-B Sewer Revenue Bonds with a 2020 Bond issue through PNC Capital Markets as presented by financial advisor, Christopher Gibbons of Concord Public Finance.

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

Gallagher & Milot moved to enter executive session to discuss personnel issues.

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

After the Board moved out of executive session, **Fayock & Grink** moved to abolish the Electromechanical Assistant position and create a second Electromechanical Technician position in the Maintenance Department as outlined in the Collective Bargaining Agreement (CBA).

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

Milot & Sullivan moved to adjourn.

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

The regular meeting was adjourned at 7:33 PM

The next scheduled Work Session will be Wednesday, February 19, 2020 at 6:30 PM

The next scheduled Regular Monthly Meeting will be Monday, February 24, 2020 at 6:30 PM

Respectfully submitted,

Greater Hazleton Joint Sewer Authority



Gregory Olander, Assistant Secretary