

The July 29, 2024 regular monthly meeting of the Greater Hazleton Joint Sewer Authority was called to order by Chairman Sullivan at 6:30 PM. All participating in the meeting gave a pledge of allegiance.

July 24, 2024 Work Session Roll Call:

Eyerly – Absent	Formica – Present	Gallagher – Present
George – Present ¹	Grink – Present	Sharkey – Absent
Sherrock – Present	Sullivan – Absent	Zola – Absent

Also in Attendance during Work Session:

Gregory Olander – Director of Administration	Andy Nowak – Field Operations Manager
Attorney Joseph D. Ustynoski – Solicitor	¹ Rachel Govelovich, P.E. – Gannett Fleming
Christopher Carsia – Director of Operations	Gene Zynel – Plant Operations Manager
Robert Dougherty, P.E. – RJD Engineering	

July 29, 2024 Regular Meeting Roll Call:

Eyerly – Present	Formica – Present	Gallagher – Present
George – Present	Grink – Present	Sharkey – Present
Sherrock – Present	Sullivan – Present	Zola – Present

Also in Attendance during Regular Meeting:

Gregory Olander – Director of Administration	Andy Nowak – Field Operations Manager
Attorney Joseph D. Ustynoski – Solicitor	Nick Sahd – Old Forge Environmental
Gene Zynel – Plant Operations Manager	

¹ via phone or Videoconference

PUBLIC COMMENT

There was no public comment received prior to or during the meeting to be presented.

Eyerly & George 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 George & Gallagher moved to approve the minutes of the June 26, 2024 Regular Monthly Meeting.

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

During the Work Session, the Director of Administration, Gregory Olander, presented documents to review the final budget for Fiscal Year 2023-2024. He first reported on the Treatment Plant budget noting that payroll was expected to be under budget by approximately \$176,000 due to a few employees being off work due to medical leaves of absence or worker’s compensation. He reviewed other line items estimated to close-out the year with higher variations from the original budget. Those line items include Engineering – Act 537 (-\$71,267), Magnesium Hydroxide (+\$57,437), Maintenance & Repairs (+\$180,511), and Permits/Fees/Penalties (-\$44,200). He said the overall operating and administrative expenses for the treatment plant are estimated to be under budget by \$125,244 for 2023-2024. Gregory then reviewed the Collection System Budget for 2023-2024 noting that most of the line items ended the year below budget. He said the Collection Division portion of administrative expenses was calculated at \$255,916 for the year and overall the Collection System Division operating and administrative expenses were under budget by \$185,913. He noted that the Engineering and design work began for Phase 2 of

Area 10 CSO Project and the GIS Mapping Project began at the end of the fiscal year. Gregory then reviewed a summary of revenues and expenses for the current fiscal year noting that the sewer customer revenue was expected to be higher than projections due to an increase to the hauled waste rates that took effect July 2023, continued success collecting delinquent account balances, and higher interest income due to the increased rates of return. He said hauled waste customer revenue is expected to be about \$189,500 above projections. He then reviewed the overall Collection System revenues and disbursements and noted that there was a \$679,929 surplus for the fiscal year. He said a motion is on the agenda to transfer that amount to the Collection System Reserve account from the Operating Fund. He said overall, the Authority was under budget by approximately \$311,157 for the fiscal year. He also noted that motions were on the agenda to transfer \$165,000 from the Operating Fund to the General Fund for Depreciation and \$135,000 from the Operating Fund to the Operating Reserve for the 2023-2024 fiscal year.

Gregory then presented the budget for Fiscal Year August 1, 2024 through July 31, 2025. He said the overall Treatment Plant interest expenses and debt service payments in the amount of \$12,183,300 is an increase of \$526,900 due to adjustments in various line items, most notably to Payroll (+\$77,000), Pension Matching 457B Contribution (+8,000), Engineering Act 537 Plan (+\$25,000), Maintenance & Repairs (+\$150,000), Group Insurance (+\$116,000), Biosolids Removal & Disposal (+\$34,000), and Billing Costs (+12,000). He reported on expected capital purchases of a replacement Bobcat for the WWTP and a new pump for Cranberry Pump Station. He said the increase in the payroll line item was primarily due to the contractual increases under the union contract and anticipated increased staffing. He then noted that treatment plant revenues are projected to be \$12,461,500 for the fiscal year. Gregory then reported that the overall Collection System Budget in the amount of \$1,743,000 was very close to last year in the Expenses & Debt Service categories. He said Capital Projects include the GIS Mapping Project (\$80,000) and continued work on the Area 10 (Phase 2) CSO Separation Project (\$50,000), which is expected to be a project ready for bid with construction in fiscal year 2025-2026. He said projected customer revenues of \$2,060,000 for the collection system division are more than enough to cover the expenses and capital projects for the fiscal year with remaining money to be used for upcoming capital projects as outlined in the 5-year projections.

Gregory also reviewed sections of the 5-year financial projections with the Board at the end of the budget presentation. He listed several in-progress and/or recommended projects including the Locust Street CSO Sewer Separation Project, Nitrification/Denitrification Pipe Seal purchase and installation, an update of the Long-Term Control Plan (LTCP), purchase of a replacement hauled waste receiving station, installation of Mag Meters at the remote pump stations, rehabilitation of Biotower #1, rebuild of the UV Disinfection system, and work on the Biological Aerated Filters (BAF) for activation of Denitrification Cell #5. He also noted adequate but tightening debt service coverage over the five years as required in the Trust Indenture. He noted that there is no rate increase for sewer customers needed for the upcoming fiscal year due to the hauled waste rate increase that became effective July 1, 2023, the high rate of return for cash on hand, and the addition of revenue realized from Reservation of Capacity Fees (ROCF). He said the quarterly breakdowns of the budgets would be provided to the Board prior to the vote at the regular monthly meeting.

Formica & Gallagher moved to approve the Fiscal Year August 1, 2024 to July 31, 2025 Operating Budget for the Treatment Plant and Collection System Division as presented by the Director of Administration.

Roll Call: Eyerly-yes, Formica-yes, Gallagher-yes, George-yes, Grink-yes, Pacelli-yes, Sherrock-yes, Sullivan-yes, Zola-absent (Passed 9-0-0)

Directors' Report -

MONTHLY FLOW REPORT

	<u>June 2024</u>		<u>Year to Date</u>		
			<u>Total</u>		<u>Average</u>
Total Flow	<u>194,157,698</u>	Gallons	<u>1,861,060,343</u>	Gallon	xxxxx
Total Flow Bypassed	<u>3,284,398</u>	Gallons	<u>165,173,008</u>	Gallon	xxxxx
Days Flow Bypassed	<u>4</u>	Days	<u>45</u>	Days	xxxxx
Total Flow Treated	<u>190,873,300</u>	Gallons	<u>1,695,887,335</u>	Gallon	xxxxx
Average Minimum	<u>4.3</u>	MGD	xxxxx	xxxxx	<u>7.2</u> MGD
Average Maximum	<u>11.8</u>	MGD	xxxxx	xxxxx	<u>15.6</u> MGD
Average Daily Flow	<u>6.4</u>	MGD	xxxxx	xxxxx	<u>9.3</u> MGD

During the Work Session, the Director of Administration, Gregory Olander, reviewed the wastewater flows for June 2024 as presented in the monthly flow report. He said the flow to the treatment plant was recorded at approximately 194.1 million gallons with 190.8 million gallons being treated. He also stated that the average daily flow to the treatment plant for the month dropped to 6.4 MGD, which decreases the average daily flow for the calendar year to 9.3 MGD. He noted that the Discharge Monitoring Reports (DMR) were submitted to PADEP for June with no effluent violations recorded.

Gregory Olander then reported that the revenues for June 2024 were \$1,232,094.09 and the billing for hauled waste received in June totaled \$220,103.52. He then stated that the overall customer collection rate for the month of June was 115.05% and the overall customer collections for the fiscal year increased to 100.48%. He then reported that annual delinquent shutoff procedures yielded high payment rates again this year.

Gregory then reported on maintenance work and upcoming projects being investigated. He stated that the maintenance and operations staff along with the programming integrator completed their final review of revised submittals from the manufacturer for the second HPU for the sludge cake pump. He said the second HPU is now in production by the manufacturer with a delivery date of approximately 12 months. He then reported that a purchase order for one set of seals for the Denitrification pipe penetrations was sent to the manufacturer. He reported that the mag meter for Diamond Avenue Pump Station was received and will be coordinated for installation by the Maintenance Department along with new valves to fully isolate the bypass port for future use. He then reported on the UV System and the proposal distributed to the Board at the last meeting. He said Gene Zynel was checking references with operators at other facilities that had the rehabilitation completed.

Gregory then reported that he sent the purchase order to the new stack test company for the upcoming test in December 2024. He said the company submitted the test protocol to PADEP for their approval well before the review deadline. He reported that the CACP received from PADEP for the January 2023 Stack Test violations is on the agenda for approval along with the negotiated \$9,900 penalty. He then reported that the Solid Waste Management Permit renewal was received on July 17, 2024. He said it is a 10-year permit, but annual reporting is required by June 30 of each year along with an annual inspection

of the facility. He also reported that Gene Zynel is beginning to coordinate with vendors and equipment manufacturers to schedule the annual Incinerator maintenance and inspection, which is scheduled to begin in October 2024.

Gregory also reported that the developer proposing to reuse the GHJSA treatment plant effluent for cooling water submitted a feasibility study to PADEP to draw up to 2.8 million gallons from the Authority's effluent for use as cooling water. He said the project would use the water in the summer months on a bell curve beginning in May and ending in September with the highest usage in July. He said they are projecting little to no usage from mid-September through mid-May each year depending on weather. He said the developer is in direct talks with PADEP at this time. He also reported that they requested an extensive list sample results on the Authority's effluent. He said the quarterly reports and annual priority pollutant scans for the past two years were provided to the industry's engineer along with approval for them to draw effluent samples for testing of any parameters not tested by the Authority.

During the Work Session, Andy Nowak reported that he circulated the meeting schedule for the 2024-2025 fiscal year, which would be published in the newspaper and on the website unless there were any objections or changes by the Board. He then reported that the new Bobcat was delivered and is in-use at the treatment plant. He said the old Bobcat is currently up for auction on Municibid. He reported that work began by the City's contractor for the new David Ave roadway with access from Route 93 near the Stacie Manor Pump Station. He said there was a conflict with the new stormwater line being installed for the project, so it was necessary to lower a section of the Authority's Stacie Manor Force Main. He said the contractor would be performing the work with inspection by the Authority's engineer. He also noted that PADEP was notified of the station shutdown, which required the contractor to use pumper trucks to transport waste to the Gashouse Pump Station while the station was out of service. He then reported that discussions continue with Allen Ridge, LLC regarding the proposed residential housing development in the Terrace section of the City.

During the Work Session, Gene Zynel reported that a representative of 360water, Inc. was at the treatment plant for the first on-site visit for development of the wet end training modules. He said she gathered extensive information and will use the information developed by Shane Boyer to produce the first training module. He said it should be completed by the end of the year. He noted that Shane will begin working on the second module and it is expected that there will be four modules in total for training of plant operators once complete.

Sherrock & Formica moved to accept the Directors' 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 – During the Work Session, Rachel Govelovich referenced a written Engineer's Report that was distributed to the Board. Rachel reported on the Air Quality issues related to stack testing as listed in the written report. She said all Air Quality reports due in July were submitted prior to their respective deadline including the CEMS quarterly Report, the Semi-annual Subpart LLLL Deviation Report and the NSPS Subpart O Semi-annual Report. Rachel then reported on the Solid Waste Management Permit Renewal. She said the Form 37 inspection was performed by PADEP on June 13, 2024 and the Authority passed the inspection. She said the first annual reporting under the new permit will be due by the end of June 2025.

Rachel reported that there has been no change from PADEP or PENNVEST regarding the Incinerator Installation change orders, which still have not been reviewed. She then reported on PENNVEST funding for the Locust Street Project noting that the first payment request is being worked on for submission in late July with a second payment request submission planned for August.

Rachel then reported on the Act 537 and LTCP activities. She said flow meters that have been deployed continue to capture flows at the CSO discharge points so the required flow study can be completed before the February 28, 2025 deadline. She said Gannett Fleming personnel completed a remote review of data being gathered by Authority staff and provided some recommendations and observations as staff continues to gather data.

Rachel also reported that a site visit was performed on July 17, 2024 to gather information to complete the Annual Operations Report due to the Trustee by August 1, 2024. She said the draft budget was also reviewed with staff as part of the annual Engineer's Certification. She said an Opinion of Probable Costs was also provided for the Authority to obtain insurance quotes.

During the Work Session, Robert Dougherty referenced a written report that was distributed to the Board. He gave an update on the Locust Street CSO Separation Project noting that the main line installation on Filmore Street is ongoing with lateral connections being done that street. He said the new sewer line on Vine Street was completed to serve the commercial building on that street. He said the second and final railroad boring is now complete and the next two weeks will be trench paving. He then recommended the approval of change orders #31 through #33 in the amount of \$21,164.40 as well as approval of Payment Estimate #8 in the amount of \$298,684.98, which includes the three change orders noted above. He said roof drain removals, tagging, dye testing, and investigation continue in Areas 2 and 3.

As requested by Chairman Sullivan at the June meeting, Robert reviewed the amount of remaining work provided by the contractor under the new schedule they provided for PENNVEST closing, which extended their construction end date from mid-August 2024 to November 2024. He said due to the new schedule, he will require additional budget to continue full time inspection and construction management on the project. He said to extend until the end of November 2024 he estimates an additional \$45,000 would be needed, which he provided to the Board as a proposed Addendum #2 dated July 22, 2024. He said the proposal is on the agenda for the Board's consideration.

Gallagher & Formica moved to accept the Engineer's Report.
Passed: Aye-9, Nay-0, Absent-0

Solicitor's Report – In addition to what was reported in executive session during the Work Session, Attorney Ustynoski reported that the property & casualty insurance proposals were reviewed. He said there were two proposals received and following the review, the lower priced proposal in the amount of \$99,614.00 from Weiss Shantz Agency is being recommended for approval for the 2024-2025 fiscal year. He said their proposal did not include cyber insurance, so he is recommending the Board renew the cyber insurance policy with the current provider through Brown & Brown at a cost of \$6,711.00 for fiscal year 2024-2025.

George & Gallagher moved to accept the Solicitor's Report. Passed: Aye-9, Nay-0, Absent-0

BILLS AND CREDITS

Gallagher & Formica moved to approve payment of Gannett Fleming, Inc. invoices and requisitions from May 25, 2024 through June 28, 2024, totaling \$26,887.07 as listed in the following table:

<u>Requisition#</u>	<u>Invoice #</u>	<u>Description</u>	<u>Amount</u>
Operating Fund	051153.A*38581	Annual Service Work	\$ 4,191.32
Operating Fund	051153.B*38582	Attending Authority Meetings	\$ 928.33
Operating Fund	051153.42*38572	2023-2024 Air Compliance	\$ 4,339.85
Operating Fund	051153.44*38574	Locust St CSO PENNVEST	\$ 1,806.06
Operating Fund	051153.46*38573	GIS Mapping Project	\$ 14,685.92
Operating Fund	051153.46*38579	Locust St PENNVEST (Const)	\$ 935.59
Total			\$ 26,887.07

Roll Call: Eyerly-yes, Formica-yes, Gallagher-yes, George-yes, Grink-yes, Sharkey-yes, Sherrock-yes, Sullivan-yes, Zola-yes (Passed 9-0-0)

George & Formica moved to approve payment of RJD Engineering, Inc. invoices from June 2024 totaling \$14,720.87 as listed in the following table:

	<u>Invoice Date</u>	<u>Project Description</u>	<u>Amount</u>
Operating Fund	6/30/2024	Area 2/3 - Locust St CSO	\$ 14,335.87
Operating Fund	6/30/2024	Collection System Engineering	\$ 385.00
Total			\$ 14,720.87

Roll Call: Eyerly-yes, Formica-yes, Gallagher-yes, George-yes, Grink-yes, Sharkey-yes, Sherrock-yes, Sullivan-yes, Zola-yes (Passed 9-0-0)

Formica & Sharkey moved to approve Change Orders #31 through #33 totaling a net addition to the Locust Street CSO Separation & Force Main Replacement Project contract with Michael F. Ronca & Sons, Inc., in the amount of \$21,164.40, as presented and recommended by the engineer and listed in the table below:

LOCUST STREET CSO SEPARATION FORCE MAIN PROJECT CHANGE ORDERS 31 to 33 SUMMARY	
CHANGE ORDER	AMOUNT
31	\$7,919.02
32	\$8,148.99
33	\$5,096.39
NET CONTRACT CHANGE	\$21,164.40

Roll Call: Eyerly-yes, Formica-yes, Gallagher-yes, George-yes, Grink-yes, Sharkey-yes, Sherrock-yes, Sullivan-yes, Zola-yes (Passed 9-0-0)

Sherrock & Gallagher moved to approve Requisition No. C263, payable to Michael F. Ronca & Sons, Inc., totaling \$298,684.98 for Payment Estimate #8 of the Locust St CSO Separation & Force Main Replacement Project as recommended by the engineer. The original contract price was \$5,271,000.00. Add for Change Orders #1 through #33 (\$300,309.66) for a total contract price of \$5,571,309.66. The total of payments made to date including this payment is \$2,523,919.02, which leaves a balance of \$3,047,390.64.

Roll Call: Eyerly-yes, Formica-yes, Gallagher-yes, George-yes, Grink-yes, Sharkey-yes, Sherrock-yes, Sullivan-yes, Zola-yes (Passed 9-0-0)

Formica & Gallagher moved to authorize payment from the Operating Fund for Operating and Administrative Expenses (\$907,889.32); Construction in Progress (\$94,861.87); Equipment/Office Equipment (\$443,765.96); Transfers to other Authority Accounts for Construction Payments (\$257,704.90); Debt Service Series 2018 Bond – BB&T (\$18,362.29); Debt Service PENNVEST Loan #27906 (\$11,152.44) from the month of June 2024.

Roll Call: Eyerly-yes, Formica-yes, Gallagher-yes, George-yes, Grink-yes, Sharkey-yes, Sherrock-yes, Sullivan-yes, Zola-yes (Passed 9-0-0)

Zola & Sherrock moved to approve issued credits report totaling \$7,033.33 from the month of June 2024.

Roll Call: Eyerly-yes, Formica-yes, Gallagher-yes, George-yes, Grink-yes, Sharkey-yes, Sherrock-yes, Sullivan-yes, Zola-yes (Passed 9-0-0)

OLD BUSINESS

None

NEW BUSINESS

George & Formica moved to approve the transfer of \$679,929.00 from the Operating Fund to the PA INVEST Collection System Reserve Fund for Fiscal Year Ended July 31, 2024 as presented by Authority Management.

Roll Call: Eyerly-yes, Formica-yes, Gallagher-yes, George-yes, Grink-yes, Sharkey-yes, Sherrock-yes, Sullivan-yes, Zola-yes (Passed 9-0-0)

Formica & Gallagher moved to approve the transfer of \$135,000.00 from the Operating Fund to the PA INVEST Operating Reserve for Fiscal Year Ended July 31, 2024 as presented by Authority Management.

Roll Call: Eyerly-yes, Formica-yes, Gallagher-yes, George-yes, Grink-yes, Sharkey-yes, Sherrock-yes, Sullivan-yes, Zola-yes (Passed 9-0-0)

Gallagher & Formica moved to approve the transfer of \$165,000.00 from the Operating Fund to the PA INVEST General Fund for Depreciation Expense for Fiscal Year Ended July 31, 2024 as presented by Authority Management.

Roll Call: Eyerly-yes, Formica-yes, Gallagher-yes, George-yes, Grink-yes, Sharkey-yes, Sherrock-yes, Sullivan-yes, Zola-yes (Passed 9-0-0)

Zola & Formica moved to authorize the transfer of \$528,157.00 from the Operating Fund to Morgan Stanley Account 613-076140-294 for investment within the approved asset allocation model.

Roll Call: Eyerly-yes, Formica-yes, Gallagher-yes, George-yes, Grink-yes, Sharkey-yes, Sherrock-yes, Sullivan-yes, Zola-yes (Passed 9-0-0)

George & Formica moved to award the property and casualty insurance coverage for Fiscal Year 2024-2025 to Weiss Shantz Agency for a total annual premium of \$99,614.00, as recommended by Authority Management and the Solicitor.

Roll Call: Eyerly-yes, Formica-yes, Gallagher-yes, George-yes, Grink-yes, Sharkey-yes, Sherrock-yes, Sullivan-yes, Zola-yes (Passed 9-0-0)

Gallagher & Formica moved to authorize payment of Debt Service Obligations for fiscal year 2024-2025 at the amortization schedule amounts and the intervals listed in the Bond Trust Indentures and PENNVEST Loan Agreements.

Roll Call: Eyerly-yes, Formica-yes, Gallagher-yes, George-yes, Grink-yes, Sharkey-yes, Sherrock-yes, Sullivan-yes, Zola-yes (Passed 9-0-0)

Formica & Gallagher moved to adopt Resolution 001 of 2024, which authorizes the Chairman and Secretary to enter into a Consent Assessment of Civil Penalty (CACP) with the Pennsylvania Department of Environmental Protection for violations noted in the September 13, 2023 NOV and as outlined in the CACP. The Motion also authorized payment of \$9,900.00 payable to the "Commonwealth of PA Clean Air Fund" as stipulated in the CACP.

Roll Call: Eyerly-yes, Formica-yes, Gallagher-yes, George-yes, Grink-yes, Sharkey-yes, Sherrock-yes, Sullivan-yes, Zola-yes (Passed 9-0-0)

Zola & Grink moved to authorize Board Member Rocco Formica to represent the Authority as a Voting Delegate at the Pennsylvania Municipal Authorities Association's annual business meeting to be held during its annual conference.

Roll Call: Eyerly-yes, Formica-yes, Gallagher-yes, George-yes, Grink-yes, Sharkey-yes, Sherrock-yes, Sullivan-yes, Zola-yes (Passed 9-0-0)

Gallagher & Formica moved to approve the proposal addendum dated July 22, 2024 from RJD Engineering, Inc. with a cost not to exceed \$45,000.00 for additional engineering services required to provide construction inspection, project administration, and tagging/inspection of roof drains for an additional three (3) months beyond the originally anticipated construction completion date in August 2024. The new schedule provided by the contractor for PENNVEST closing anticipates a new completion date in late November 2024.

Roll Call: Eyerly-yes, Formica-yes, Gallagher-yes, George-yes, Grink-yes, Sharkey-yes, Sherrock-yes, Sullivan-yes, Zola-yes (Passed 9-0-0)

George & Grink moved to award the cyber insurance coverage for Fiscal Year 2024-2025 in the amount of \$1 million to Brown & Brown of Lehigh Valley for a total annual premium of \$6,711.00, as recommended by Authority Management and the Solicitor.

Roll Call: Eyerly-yes, Formica-yes, Gallagher-yes, George-yes, Grink-yes, Sharkey-yes, Sherrock-yes, Sullivan-yes, Zola-yes (Passed 9-0-0)

Zola & Gallagher moved to adjourn.

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

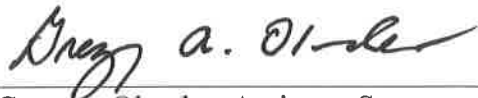
The regular meeting was adjourned at 7:19 PM

The next scheduled Work Session will be Wednesday, August 21, 2024 at 6:30 PM

The next scheduled Regular Monthly Meeting will be Monday, August 26, 2024 at 6:30 PM

Respectfully submitted,

Greater Hazleton Joint Sewer Authority



Gregory Olander, Assistant Secretary