

The November 25, 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.

November 20, 2024 Work Session Roll Call:

Eyerly – Present	Formica – Present	Gallagher – Present
George – Present <sup>1</sup>	Grink – Present <sup>1</sup>	Sharkey – Absent
Sherrock – Present	Sullivan – Present	Zola – Absent

Also in Attendance during Work Session:

Gregory Olander – Director of Administration	Andy Nowak – Field Operations Manager
Attorney Joseph D. Ustynoski – Solicitor	Christopher Carsia – Director of Operations
<sup>1</sup> Rachel Govelovich, P.E. – Gannett Fleming	Robert Dougherty, P.E. – RJD Engineering, Inc.

November 25, 2024 Regular Meeting Roll Call:

Eyerly – Present	Formica – Present	Gallagher – Present
George – Present <sup>1</sup>	Grink – Present <sup>1</sup>	Sharkey – Absent <sup>2</sup>
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	Christopher Carsia – Director of Operations
<sup>1</sup> Rachel Govelovich, P.E. – Gannett Fleming	

<sup>1</sup> via phone or Videoconference

<sup>2</sup>Board Member Sharkey entered the meeting during the Directors' Report

**PUBLIC COMMENT**

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

**Formica & Gallagher** moved to approve the minutes of the October 28, 2024 Regular Monthly Meeting.  
Passed: Aye-8, Nay-0, Absent-1

**AUDIT FOR FISCAL YEAR 2024**

During the Work Session, John Nonnemacher, CPA of Snyder & Clemente, CPA thanked the Board for authorizing his firm to perform the Audit again this year. He then introduced his colleague, Michael Gaizick, CPA, who began the power point presentation by reviewing the revenues and expenses for the fiscal year. He said sewage treatment revenues were \$11.841 million, which was an increase from the prior year of approximately \$500,000 primarily due to an increase in hauled waste and an increase in the Reservation of Capacity Fees (ROCF) to \$153,510. He said overall there was an increase of \$571,159 in operating revenues to \$14.157 million. He then reviewed the operating expenses, which decreased by \$54,680 to \$12.393 million for an operating income of \$1.764 million for the fiscal year. He stated that for the non-operating revenues (expenses) there was an increase of over \$2,000,000 due to the receipt of an ARPA Grant in that amount and a higher investment income of \$690,565. He noted that the overall net position increased by \$3,911,852 to \$59,126,151, which is very good performance on the year. Michael then reviewed assets and liabilities noting that total current assets increased to \$16.576 million and capital assets (net of depreciation) increased by \$719,420 to \$75.891 million. He stated that deferred outflows for Pension and OPEB liability decreased to \$440,408 from \$670,206 in the prior year. He said current liabilities were down \$678,290 from the prior year and non-current liabilities were down \$3.528

million to \$29.745 million due to payment of long-term debt and a reduced pension liability. He then showed a slide analyzing the working capital ratio at 3.95, which is important for unexpected expenses and to eliminate the need to finance smaller capital purchases.

Michael then analyzed the long-term debt noting that the Authority paid \$452,143 in interest expense on over \$30 million in average debt, which is an effective interest rate of 1.46%. He correspondingly reviewed the investment income received during the year and calculated that the Authority was receiving 5.19% as a return on working capital. He then reviewed the salaries and benefits for the year noting that the benefits as a percentage of salaries was at 55.46%, down from 58.86% in the prior year. He also explained the test of internal controls that were performed during the Audit. He said they reviewed policies and procedures that are in place from when a transaction is initiated until it shows up in the financial statements. He said they test controls by using fieldwork and corroborating evidence to determine accuracy such as using a list of properties from the county to determine if all properties on a certain street are being billed by the Authority. He said the internal controls are reviewed annually with management to capture any updates and a walkthrough of processes and procedures is performed from start to finish including testing example transactions. He said all this leads to the opinion in the Independent Auditors' Report. He said they are pleased to be able to provide an unmodified opinion noting that there were no material weaknesses or control deficiencies and no management letter comments to report again this year. He said it is an indication that internal controls are working properly.

John Nonnemacher then informed the Board that the ARPA Grant that was received in fiscal year 2024 has specific requirements for auditing and reporting. He said the grant amount was above the \$750,000 threshold, which triggers the requirement for a Single Audit to be performed. He said a Single Audit is much more stringent than the Authority's annual financial audit; however, this year there is a one-time exception that is permissible if there are no other federal monies incurred, and reimbursement requested from federal funding sources in the same year. He said this fiscal year we were able to provide an opinion based upon a compliance examination provided for in the exception, which was that there were no findings. He said for fiscal year 2025 a Single Audit will be necessary because the PENNVEST monies used to fund the construction portion of the Locust Street CSO Separation Project were federal funds. He said the report will be coordinated for submission with the Director of Administration and his firm will only charge for the extra time that was needed to comply with this regulation. He noted that next year there will be significantly more work needed to perform the Single Audit, which will be reflected in the engagement letter. Michael and John concluded their presentation and asked if there were any questions. Following the presentation, Chairman Sullivan asked the auditors for their professional opinion on the operation of the Authority. John Nonnemacher responded that they perform audits on many municipalities and authorities over several counties and he stated that this is one of the more well managed authorities in the area. Michael noted that the long-term view on how this Authority plans for and manages projects, such as the incinerator project, is one of the reasons why this Authority is in such a good financial position for the future.

During the regular meeting, Board Member Eyerly stated that he was impressed by the Auditors' presentation regarding this Authority, and he complemented the work of the staff in getting the Authority to this position. He specifically noted that the decision and work it took to move away from landfilling sludge and toward incineration of sludge took a great deal of work but has paid off for the financial well-being of the Authority.

Sherrock & Formica moved to accept the Fiscal Year Ended July 31, 2024 Audited Financial Statements as presented by John Nonnemacher, CPA and Michael Gaizick, CPA of Snyder & Clemente, CPA.

Roll Call: Eyerly-yes, Formica-yes, Gallagher-yes, George-yes, Grink-yes, Sharkey-absent, Sherrock-yes, Sullivan-yes, Zola-yes (Passed 8-0-1)

**Pension Committee Report**

During the Work Session, Committee Chairman Grink gave a brief update on the performance of the investment portfolio. He said the Investment Advisor reported a return of 8.36% year to date and 20.12% over the past 12 months. He said there is no change recommended to the pension portfolio allocation at this time. He also noted that the plan currently has a distress score of zero because it is 96% funded. He then reported that the monthly pension payments for upcoming retirees were also approved for the first of the month following their respective retirement dates.

George & Formica moved to approve the Pension Committee Report.

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

**Directors' Report -**

**MONTHLY FLOW REPORT**

	<u>October 2024</u>		<u>Year to Date</u>		
			<u>Total</u>	<u>Average</u>	
<b>Total Flow</b>	<u>150,031,709</u>	<b>Gallons</b>	<u>2,619,825,831</u>	<b>Gallon</b>	<b>xxxxx</b>
<b>Total Flow Bypassed</b>	<u>0</u>	<b>Gallons</b>	<u>190,203,985</u>	<b>Gallon</b>	<b>xxxxx</b>
<b>Days Flow Bypassed</b>	<u>0</u>	<b>Days</b>	<u>58</u>	<b>Days</b>	<b>xxxxx</b>
<b>Total Flow Treated</b>	<u>150,031,709</u>	<b>Gallons</b>	<u>2,433,921,846</u>	<b>Gallon</b>	<b>xxxxx</b>
<b>Average Minimum</b>	<u>3.0</u>	<b>MGD</b>	<b>xxxxx</b>	<b>xxxxx</b>	<u>5.9</u> <b>MGD</b>
<b>Average Maximum</b>	<u>6.7</u>	<b>MGD</b>	<b>xxxxx</b>	<b>xxxxx</b>	<u>13.6</u> <b>MGD</b>
<b>Average Daily Flow</b>	<u>4.8</u>	<b>MGD</b>	<b>xxxxx</b>	<b>xxxxx</b>	<u>8.0</u> <b>MGD</b>

During the Work Session, the Director of Administration, Gregory Olander, reviewed the wastewater flows for October 2024 as presented in the monthly flow report. He said the flow to the treatment plant was recorded at approximately 150 million gallons with all flow being treated. He also stated that the average daily flow to the treatment plant for the month dropped to 4.8 MGD, which decreased the average daily flow for the calendar year to 8.0 MGD. He noted that the Discharge Monitoring Reports (DMR) were submitted to PADEP for October with no violations reported.

Gregory Olander then reported that the revenues for October 2024 were \$1,202,875.64 and the billing for hauled waste received in October totaled \$210,056.20. He stated that the customer collection rate for the month of October was 86.97%, which lowered the overall collection rate to 93.97% for the fiscal year. He said the reason for the lower collection rate this month appears to be late delivery of many customer bills by the post office. Gregory then reported that payment was received from Lancaster Area Sewer Authority for sale of 24,492 nitrogen credits as previously reported. He then reported that a cybersecurity assessment was initiated on November 5, 2024 with additional work to follow. He said once the assessment is complete, the report will be provided to the Board with recommendations. He also reported that the newly hired employee began work on November 25<sup>th</sup> and there is an opening for another plant operator to fill a new vacancy.

Gregory then reported that the maintenance staff is catching up on preventative maintenance and other items now that the work during the annual incinerator shutdown is now complete. He said two (2) Secondary Effluent Pumps have had issues recently with one pump unable to be salvaged. He said there was one spare pump on-hand, and the maintenance department believes one of the faulty pumps may be able to be rebuilt. He is recommending the Board approve the purchase of one new pump, which will be the spare provided a rebuild of the other pump is possible. He said it is on the agenda for the Board's consideration.

Gregory also reported on the incinerator air quality items noting that the 2024 Q3 CEMS Report was submitted to PADEP as well as the Authority's response to the NOV from the December 2023 Stack Test. He then reported that a conference call was held on November 15 to go over process and procedures with the air quality consultants and representatives of the new stack testing firm. He reported that Gene and Shane will be at the meeting in December to go over the work performed on the incinerator during the annual shutdown.

Gregory also reported on the development proposing to reuse the GHJSA treatment plant effluent for cooling water. He said a meeting is scheduled at the PADEP offices in Wilkes-Barre on November 26, 2024 to discuss planning and permitted requirements for the project. He said a Proposed Change of Wastestream Report was submitted to PADEP by Nick Sahd on behalf of the Authority as required so they can determine if a modification to the Authority's NPDES Permit is necessary. He said the developer is also requesting a meeting with all the engineers and Authority staff to discuss capital improvements needed at the WWTP to convey the water to the development.

During the Work Session, Andy Nowak reported that replacement of 96" outfall pipe along the HASD Career Center parking continues. He said 240 linear feet of pipe has already been installed since the pipe was received on October 22, 2024. He said another 60 linear feet will be installed before the holidays to clear the parking lot area with the remaining work in the grassy lot to be completed in the spring. He said the HASD staff have been cooperative, and they are receptive to having the paving completed in the spring. Andy also noted that GIS mapping work continues when the crew is available in between other tasks. He then stated that the developer, One Trinity Real Estate, submitted a one-year extension request, which is on the agenda for the Board's consideration. He then reported that he was contacted by Allen Ridge Associates, LLC relative to their proposed development in the City of Hazleton. He said they provided a final set of plans and have a letter in to the City of Hazleton to get the final plan set approved. He said they sent a cost estimate for the project, which needs to be reviewed for approval by the Authority and Solicitor. Andy then reported that the survey work for the parcel of land adjacent to the WWTP has been completed and the subdivision is being worked on for a December submission. *Board Member Sharkey entered the regular meeting during the Directors' Report.*

**Gallagher & 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-9, Nay-0, Absent-0

**Engineer's Report** – During the Work Session, Rachel Govelovich referenced a written Engineer's Report that was distributed to the Board. Rachel noted that most of the air quality items were covered under the Directors' Report, but stated that following the recent report submissions, the next round of reporting is due in January and February 2025 as listed in the written report.

Rachel then reported that a compliance meeting was held yesterday with the Director of Administration and Booth Management Consulting for closeout of the Luzerne County ARPA Grant. She stated 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 the PENNVEST funding for the Locust Street CSO Separation Project. She said change orders are being uploaded electronically to the PENNVEST site; however, change orders must be removed from payment requests because they have not been reviewed by PADEP. She said Construction Payment Request #3 is being prepared for submission.

Rachel then reported on the Act 537 and Long-Term Control Plan (LTCP) activities. She said flow meters are still deployed and continue to capture flows at the CSO discharge points and the pipe layout for the flow model has been completed. She said they are building the design for a flow model to determine how and when each CSO discharges. She also stated that a meeting was requested with PADEP to review the details of the Flow Study to make sure they agree with the proposed study, and she is hopeful the meeting will take place in early December. She then reported that as part of the Act 537 Plan, an evaluation of the WWTP processes needs to be completed. She said since there is an issue with Biotower #1 that needs to be addressed soon, the process evaluation has become a higher priority. She then reported that GIS mapping continues; however, progress has slowed due to the repair of the 96-inch CSO line at the HASD. Andy Nowak stated that if there is any critical information needed, let him know and he will have staff gather the information. She then reported on the LTCP items noting that two (2) separation studies listed in the NPDES Permit are due in February 2025. She said those 2 studies are being worked on for submission prior to the deadline. She said Bob Dougherty has provided necessary information on the two study areas, Area 2 & 3 (Locust Street basin) and Area 10 (Terminus of Black Creek basin) so the reports can be completed.

Rachel reported that her firm continues assisting with Northpoint Development for reuse of treatment plant effluent and an industrial pretreatment review of the flow returning to the WWTP. She then reported that the engineering firm contracted to perform sampling and testing of the concrete in the Nitrification and Denitrification tanks will be onsite the week of December 16<sup>th</sup> to perform the work as outlined in the approved proposal.

Rachel then reported that a Gannett Fleming representative was onsite October 29<sup>th</sup> to gather information on the existing SCADA system and data entry system so a new platform can be developed so the obsolete system may be retired. She said the scope and proposal was developed and reviewed by staff; however, the Director of Administration noted that there was some overlap of services with the CoStream Cybersecurity Assessment that is already underway, so the final proposal will be revised after coordination with CoStream to ensure there is no duplication of services. She said the Board should have the proposal next month.

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 and sidewalk restoration on Church Street are now complete. He said all streets west of Church Street have been milled and paved. Bob then reported that the sewer easement along the YMCA frontage on Church Street has been signed by all parties and filed at the courthouse. He said the sewer line installation in the YMCA parking lot is now complete along with trench restoration. He said sewer lines have also been

installed east of Church Street on Noble and Juniper Streets. He then recommended the approval of change orders #42 through #43 resulting in a net addition of \$21,487.50 as well as approval of Payment Estimate #12 in the amount of \$566,825.29, which includes the change orders noted above. He said roof drain removals, tagging, dye testing, and investigation in Areas 2 and 3 is now complete and follow-up inspections and second tagging of properties is ongoing. He then reported that the survey work on the property adjacent to the WWTP is ongoing and should take about 3 weeks to complete. He said the 4.22 acres is the correct parcel size, but for the subdivision, the entire parcel owned by the seller needs to be surveyed.

**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 requested the Board move to executive session to discuss a legal issue and personnel issues.

**Formica & Grink** moved to enter executive session to discuss legal issues and personnel issues.

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

After the Board moved out of executive session, **Gallagher & Formica** 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 September 28, 2024 through October 25, 2024, totaling \$17,296.82 as listed in the following table:

<u>Requisition#</u>	<u>Invoice #</u>	<u>Description</u>	<u>Amount</u>
Operating Fund	051153.A*44040	Annual Service Work	\$ 5,692.07
Operating Fund	051153.B*44045	Attending Authority Meetings	\$ 937.76
Operating Fund	051153.D*44046	Industrial Pretreatment Program	\$ 840.00
Operating Fund	051153.E*44048	LTCP & Act 537 (Flow Study)	\$ 4,866.75
Operating Fund	051153.42*44030	2024-2025 Air Compliance	\$ 876.72
Operating Fund	051153.46*44033	GIS Mapping Project	\$ 825.03
Operating Fund	051153.47*44032	Locust St PENNVEST (Const)	\$ 2,345.91
Operating Fund	051153.48*44034	Allen Ridge Development	\$ 49.26
Operating Fund	051153.49*44036	Northpoint Campus Development	\$ 863.32
Total			\$ 17,296.82

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 & George** moved to approve payment of RJD Engineering, Inc. invoices from October 2024 totaling \$21,595.00 as listed in the following table:

	<u>Invoice Date</u>	<u>Project Description</u>	<u>Amount</u>
Operating Fund	10/31/2024	Area 2/3 - Locust St CSO	\$ 14,399.00
Operating Fund	10/31/2024	Collection System Engineering	\$ 7,196.00
		Total	\$ 21,595.00

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 Change Orders #42 to #43 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 \$21,487.50, as presented and recommended by the engineer and listed in the table below:

LOCUST STREET CSO SEPARATION FORCE MAIN PROJECT  
CHANGE ORDER 42 to 43 SUMMARY

CHANGE ORDER	AMOUNT
42	\$8,831.49
43	\$12,656.01
NET CONTRACT CHANGE	\$21,487.50

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 Requisition No. C267, payable to Michael F. Ronca & Sons, Inc., totaling \$566,825.29 for Payment Estimate #12 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 #43 in the amount of \$236,357.30 for a total contract price of \$5,507,357.30. The total of payments made to date including this payment is \$3,804,726.43, which leaves a balance of \$1,702,630.87.

Roll Call: Eyerly-yes, Formica-yes, Gallagher-yes, George-no, Grink-yes, Sharkey-yes, Sherrock-yes, Sullivan-yes, Zola-yes (Passed 8-1-0)

**Formica & Gallagher** moved to authorize payment from the Operating Fund for Operating and Administrative Expenses (\$823,722.61); Construction in Progress (\$220,383.38); Equipment (\$19,826.42); Debt Service Series 2018 Bond – BB&T (\$18,362.29); Debt Service PENNVEST Loan #27906 (\$11,152.44); Debt Service PENNVEST Loan 71468 (\$18.62) from the month of October 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)

**Gallagher & Sharkey** moved to approve issued credits report totaling \$615.99 from the month of October 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**

**Formica & Gallagher** moved to approve a one-year extension for connection to the sewage collection system, as allowed by the approved sewage connection permit documents, to One Trinity Real Estate Investment for property located at 290 Susquehanna Boulevard in West Hazleton Borough. The permit and connection expiration date shall be extended from December 21, 2024 to December 21, 2025. All remaining Terms and Conditions of the Permit and Developer’s Agreement shall remain in effect.

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 approve the purchase of one (1) new 12” Fairbanks Nijhuis Model D5731MV Submersible Pump as listed in Quotation #912023-D-2 through Kappe Associates, Inc. COSTARS Contract 016-E23-310 for the purchase price of \$74,650.00 including shipping, for installation at the WWTP Secondary Effluent Pump Station.

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 adjourn.

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

The regular meeting was adjourned at 6:48 PM

The next scheduled Work Session will be Monday, December 16, 2024 at 6:30 PM

The next scheduled Regular Monthly Meeting will be Wednesday, December 18, 2024 at 6:30 PM

Respectfully submitted,

**Greater Hazleton Joint Sewer Authority**



Gregory Olander, Assistant Secretary