

The January 26, 2026 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.

January 21, 2026 Work Session Roll Call:

Eyerly – Present	Formica – Present	Gallagher – Present
George – Present ¹	Grink – Present	Sharkey – Present ¹
Sherrock – Present	Stefanovich – Present	Sullivan – Present

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
Rachel Govelovich, P.E. – GFT Infrastructure, Inc.	Robert Dougherty, P.E. – RJD Engineering, Inc.

January 26, 2026 Regular Meeting Roll Call:

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

Also in Attendance during Regular Meeting:

¹ Gregory Olander – Director of Administration	Andy Nowak – Field Operations Manager
¹ Attorney Joseph D. Ustynoski – Solicitor	Christopher Carsia – Director of Operations
¹ Rachel Govelovich, P.E. – Gannett Fleming	

¹ via phone or Videoconference

PUBLIC COMMENT

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

George & Stefanovich nominated Christopher Carsia as Temporary Chairman for Reorganization.

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

NOMINATION OF OFFICERS

George & Formica moved to retain the same officers for 2026 as they were in 2025 as follows:

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

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

APPOINTMENTS BY THE BOARD

Grink & Stefanovich moved that the Ustynoski & Marusak law firm with representation by Attorney Joseph D. Ustynoski, Esquire be reappointed as Solicitor of the Authority at the hourly rate of \$125.00 per hour.

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

George & Sherrock moved that Morgan Stanley with representation by Howard Willard III be reappointed as Investment Consultant for the Authority.

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

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

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

George & Grink moved that Foster & Foster, Inc. with representation by Paul Baugher be appointed as Actuarial Consultant for the Authority.

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

Sherrock & George moved that GFT Infrastructure, Inc. with representation by Rachel Govelovich, P.E. be reappointed as Consulting Engineer for the Authority.

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

Formica & Gallagher moved that Barry Isett Associates (formerly RJD Engineering, Inc.) with representation by Robert Dougherty, P.E. be reappointed as "Special Projects Engineer" for the Collection Systems Division of the Authority.

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

Formica & Grink moved that Olde Forge Environmental with representation by Nick Sahd be reappointed as Environmental Scientist for the Authority.

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

Formica & Grink moved to approve the minutes of the December 10, 2025 Special Meeting.

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

Formica & Grink moved to approve the minutes of the December 22, 2025 Regular Monthly Meeting.

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

AUDIT FOR FISCAL YEAR 2025

During the Work Session, John Nonnemacher, CPA of Snyder & Clemente, CPA, thanked the Board for once again authorizing his firm to conduct the annual audit. He then introduced his colleague, Michael Gaizick, CPA, and together they presented a PowerPoint summarizing the results of the audit and the Authority's financial position for the year ended July 31, 2025.

They explained that this year's audit differed from prior years due to the receipt of federal funding and provided an overview of the audit process, which included evaluating internal controls, gathering supporting documentation, performing substantive testing, and conducting interviews with staff. These procedures culminated in five audit opinions, covering the financial statements, the Schedule of Expenditures of Federal Awards, compliance, and internal controls, with no significant issues identified. The Authority's financial results were reviewed, noting that operating revenues remained stable in the

absence of rate increases and highlighting the role of outside hauled waste, which represented approximately twenty-five percent (25%) of treatment revenue and helped offset costs for local ratepayers despite the expenses associated with processing that waste. The firm also discussed major expense categories, including modest increases in plant wages and repairs, higher administrative costs driven by pension funding and rising group health insurance premiums, increased repairs and maintenance within the collection system, and reduced electricity costs at the plant and pumping stations resulting from a more favorable energy contract. Additional topics included a decline in investment income due to lower interest rates, a detailed asset impairment analysis conducted in accordance with GASB 42 using records dating back to 2012, a small gain from the sale of a vehicle, and steady interest expense related to low interest PENNVEST loans. It was noted that the Authority’s ending net position decreased primarily due to a one-time write-off that is not expected to recur. The firm also reviewed working capital as a measure of financial stability, concluding that the Authority remains well positioned to manage unforeseen expenses or economic challenges.

The presentation then addressed debt activity, with the auditors commending the Board for its prudent refinancing decisions. They explained that a 3.1 million dollar draw from a PENNVEST Clean Water Fund loan, which constitutes federal funding passed through the state, triggered the single audit requirement. The firm worked to consolidate this requirement into a single fiscal year to avoid multiple single audits. Finally, the Authority’s pension plan was discussed, with the auditors noting that it is approximately ninety-seven percent (97%) funded, a favorable level compared to other municipal authorities. They explained how any unfunded portion is amortized over time and highlighted that the Authority had previously contributed more than the minimum required amount. When the presentation concluded the presenters asked if the Board had any questions and they stated that they are also available to answer questions at a later time if any arise.

George & Stefanovich moved to accept the Fiscal Year Ended July 31, 2025 Audited Financial Statements as presented by John Nonnemacher, CPA and Michael Gaizick, CPA of Snyder & Clemente. Roll Call: Eyerly-absent, Formica-yes, Gallagher-yes, George-yes, Grink-yes, Sharkey-yes, Sherrock-yes, Stefanovich-yes, Sullivan-yes (Passed 8-0-1)

Directors’ Report -

MONTHLY FLOW REPORT

	<u>December 2025</u>		<u>Year to Date</u>		<u>Average</u>
			<u>Total</u>		
Total Flow	<u>228,373,471</u>	Gallons	<u>2,842,111,274</u>	Gallon	xxxxx
Total Flow Bypassed	<u>12,566,387</u>	Gallons	<u>131,616,242</u>	Gallon	xxxxx
Days Flow Bypassed	<u>2</u>	Days	<u>56</u>	Days	xxxxx
Total Flow Treated	<u>215,807,084</u>	Gallons	<u>2,710,495,032</u>	Gallon	xxxxx
Average Minimum	<u>4.8</u>	MGD	xxxxx	xxxxx	<u>5.3</u> MGD
Average Maximum	<u>11.0</u>	MGD	xxxxx	xxxxx	<u>12.7</u> MGD
Average Daily Flow	<u>7.0</u>	MGD	xxxxx	xxxxx	<u>7.4</u> MGD

During the Work Session, the Director of Administration, Gregory Olander, reviewed the wastewater flows for December 2025 as presented in the monthly flow report. He said the flow to the treatment plant was recorded at approximately 228.3 million gallons with 215.8 million gallons being treated. He also stated that the average daily flow to the treatment plant for the month was 7.0 MGD. He said the year-to-date average daily flow decreased from 7.5 MGD to 7.4 MGD, which is well below the 8.9 MGD

permit limit for calendar year 2025. He then noted that the Discharge Monitoring Reports (DMR) were submitted to PADEP for December with no violations noted.

Gregory then reported that the revenues for December 2025 were \$1,094,091.22 and the billing for hauled waste received in December totaled \$147,264.62. He stated that the customer collection rate for December increased to 94.95%, bringing the fiscal year-to-date overall collection rate to 93.42%. He then reported that data was reviewed side by side as a final verification step for the programming of the new data collection and reporting system that will replace the older Treatment Plant ODMS program. Any discrepancies between the two systems have been identified and corrected. The 1099 forms were electronically filed with the IRS, and hard copies were distributed prior to the January 31 deadline. The 1095 forms were also e-filed and mailed to all employees. Additionally, the PMHIC proposed amendment to the agreement was reviewed, and it was recommended that the Board vote "no" on the inclusion of a termination fee in the proposed language. He said unless the Board objects, a vote against the proposed agreement amendment will be cast on behalf of the Authority.

Gregory reported that the VFD faulting issues at the remote pump stations appear to have been resolved at all pump stations except Gashouse, which is not currently experiencing any faulting problems. With respect to the UV Disinfection system rebuild for the use of new lower-wattage lamps, the contractor was on site to verify measurements, and the cabinets are currently being fabricated. The vendor indicated that the project remains on schedule, with installation and startup expected to be completed on or before the end of April 2026.

Gregory then reported that the Diversion Chamber Closure Report for the Locust Street CSO Separation Project was submitted to DEP on December 23, 2025. He said on January 6, 2026, the weir that accepted flow from the combined sewer line was closed with a metal plate and gasket as a temporary closure. He said once the weather is warm enough, concrete will be poured into the adjacent sanitary manhole to cover the sluice gate receiving flow from the combined line as a permanent closure. He said PADEP was notified of the closure work and will be updated on any additional progress. Gregory also provided an update on incinerator air quality matters and reported that the full Stack Test conducted by Gammie Air Monitoring, Inc. yielded preliminary results indicating a failing result for HCl once again and for Mercury, the cause of which is currently unknown. As a result, the required report must be submitted to DEP within 60 days. An investigation into potential HCl mitigation options is underway, which may include modifications to the Tray Cooler to improve HCl removal efficiency. Additionally, the GAC supplier is reviewing the test results to determine the cause of the Mercury exceedance.

Gregory also reported that the design of the Effluent Pump Station to provide reclaimed water for use as non-contact cooling water for Project Hazelnut is ongoing, and GFT and Authority staff will provide comments on design issues as they are received. He also reported that the Status Quo Agreement with NP Hazleton Holdings 1 (Northpoint) will be reviewed in greater detail by the Solicitor. He said the agreement and authorization to submit the Water Quality Management Part II Permit for the project is on the agenda for the Board' consideration.

During the Work Session, Director of Operations, Christopher Carsia reported that a preliminary meeting with labor law attorney, Scott Gartley and management is scheduled for tomorrow, January 27th, for preparation to begin union negotiations with the negotiating committee board members and union representatives. Christopher then reported that the UGI gas meter located at the front entrance of the treatment plant had been malfunctioning for at least two months, resulting in zero usage recorded during that period. He said discussions are ongoing with UGI, Inc. and UGI Energy Services to resolve the billing discrepancies that have resulted from future contracts that were purchased for projected usage of

natural gas during the months of November and December. The billing discrepancy amount in question is approximately \$2,000. Christopher also reported that he was able to secure a three-month contract for purchasing future commodity pricing for natural gas at a rate of \$5.84 per dekatherm, which will take the Authority to the spring. This rate was viewed as favorable given recent market fluctuations due to the extremely cold winter months that have occurred thus far.

Christopher then reported that the Board had previously authorized the purchase of up to twelve (12) steel containers, but only ten (10) are needed per the operations managers. He said five (5) containers have already been purchased and are operating satisfactorily. He is requesting approval to purchase four (4) additional bath tub style containers that were previously bid at alternate pricing; however, with an additional allowance not to exceed ten percent (10%) due to rising steel and labor costs that were incurred by the manufacturer at the beginning of the new year due to delayed placement of the remaining order. Additionally, Christopher requested approval to purchase one (1) more heavy-duty rectangular container at the previously quoted price of \$7,126.59 for use when producing lighter fly ash material when the sewage sludge incinerator is in operation. He noted that total expenditure of steel containers is now expected to be approximately \$75,000, which is well below the originally anticipated cost of \$100,000. The projected payback time for this investment is revised downward from the original two to three-year period to approximately one year. Christopher does not anticipate needing any additional containers beyond this request for the foreseeable future.

During the Work Session, Field Operations Manager, Andy Nowak reported that the Authority's new Mack tri-axle truck has been received. He also addressed two items related to developer matters. The first involved the Hazleton Area School District's tennis court concession and restroom project, for which an allocation of ten (10) EDUs had already been reserved under a Reservation of Capacity Agreement (ROCA). He said the HASD has now paid the Tapping Fee so the allocation of the previously reserved ten (10) EDUs is on the agenda for the Board's consideration. He also stated that construction is expected to begin in approximately two months. The second concerned a reservation of capacity for 109 EDUs for Phase I of the Troy Ridge Associates Apartment Project on Club 40 Road, expected to begin in 2027, consisting of 108 apartments and one community building, for which the signed ROCA and the reservation fee have been received. He said after all allocations and reservation commitments, the Authority now only has thirty (30) EDUs remaining. Andy noted additional potential demand from several residential projects currently under consideration in Hazleton and West Hazleton, as well as several recent inquiries regarding new single-family homes on vacant or rear lots. Board Member Eyerly asked what option the Authority has to get additional EDUs. The management team responded that there were seventy (70) EDUs requested from PADEP due to completion of the West Hazleton Area 2 Separation Project. Andy also stated that once the Locust Street CSO Separation project is completed, further discussions will be held with DEP regarding the potential recovery of additional EDUs, supported by the Authority's forthcoming flow study. While there is no definitive standard for how many EDUs may be returned based on flow reductions, DEP is aware of the Authority's position.

Formica & Grink moved to accept the Directors' Report and to have the written report on diverted flows made a permanent part of the record.

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

Engineer's Report – During the Work Session, Robert Dougherty reported that the design documents for the Area 10 (Phase 2) Project to remove cross-connections are approximately ninety-five percent (95%) complete and have been circulated to the project team for final review. Once remaining comments are received, the final bid package can be assembled and advertised. Dougherty then discussed the timing

of bid advertisement and bid opening, noting that February would not provide sufficient time for contractors to prepare bids, making a March advertisement and bid opening anticipated.

Dougherty also stated that, as previously reported by Olander, the Diversion Chamber Closure Report for the Locust Street CSO Separation Project was submitted to PADEP prior to the end of the year. Lastly, work continues on change orders related to the Locust Street CSO Separation Project, which still need to be submitted to PADEP for approval.

During the Work Session, Rachel Govelovich referred to the written Engineer's Report that had been distributed to the Board. She reviewed Air Quality activities as listed in the written report and noted that there are several reports due to be submitted to the regulatory agencies in January 2026. Rachel then noted that the final reimbursement request to draw funds from PENNVEST has been drafted and is currently under QA/QC review. She said with respect to funding for the Locust Street CSO Separation Project, change orders will first be submitted to PADEP for initial review before being uploaded to PENNVEST for consideration. Rachel then reported on the Area 10 (Phase 2) Project stating that the Legal/Division 00 portions of the bid specifications have been provided to GFT for comment to make sure ARPA Grant requirements are being met before being incorporated into the final bid documents. She said questions have been submitted to the Commonwealth Financing Authority to confirm final requirements.

Rachel further reported, with respect to Act 537 planning and the Long-Term Control Plan, that the initial flow study analysis shows the Authority captured approximately eighty-three percent (83%) of CSO flows in 2024 and eighty-four percent (84%) in 2025, which is slightly below the eighty-five percent (85%) target but close enough to make future compliance efforts more manageable. A meeting with Authority staff is scheduled for Monday to review preliminary flow study findings, with a formal report due to be submitted to PADEP by the end of February. She said system mapping and GIS data collection continue, and subconsultant agreements with borough and city engineers are being finalized, with regular coordination meetings to follow. Rachel also noted that GFT continues to coordinate on NPDES permit reporting and other required annual regulatory submissions, including the Chapter 94 Report, CSO Status Report, Industrial Pretreatment Program Report, Biosolids Report, and updated insurance replacement cost information.

Sherrock & Formica moved to accept the Engineer's Report.

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

Solicitor's Report – In addition to what was reported in executive session during the Work Session, Attorney Ustynoski thanked the Board for his reappointment and then requested the Board move to executive session to discuss a legal issue for litigation.

Gallagher & Grink moved to enter executive session to discuss a legal issue for litigation.

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

After the Board moved out of executive session, **Stefanovich & Formica** moved to accept the Solicitor's Report.

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

BILLS AND CREDITS

George & Formica moved to approve payment of RJD Engineering, Inc. invoices from December 2025 totaling \$7,698.50 as listed in the following table:

	<u>Invoice Date</u>	<u>Project Description</u>	<u>Amount</u>
Operating Fund	12/31/2025	Area 10 (Phase 2)	\$ 5,513.50
Operating Fund	12/31/2025	Collection System Engineering	\$ 2,185.00
		Total	\$ 7,698.50

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

Stefanovich & Formica moved to authorize payment from the Operating Fund for Operating and Administrative Expenses (\$896,282.56); Construction in Progress (\$9,297.53); Equipment (\$93,034.49); Debt Service Series 2018 Bond – BB&T (\$18,362.29); Debt Service PENNVEST Loan #27906 (\$11,152.44); Debt Service PENNVEST Loan #71468 (\$18,211.81); Debt Service PENNVEST Loan #77114 (\$2,426.40) from the month of December 2025.

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

Gallagher & Grink moved to approve issued credits report totaling \$2,273.51 from the month of December 2025.

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

OLD BUSINESS

None

NEW BUSINESS

Formica & George moved to approve a Reservation of Sewage Capacity of one hundred nine (109) EDUs, at 230 gallons per EDU, to Troy Ridge Associates LLC, for property located on Club 40 Road in the City of Hazleton, for the reservation of capacity fee of \$101,239.20, as detailed in the executed Reservation of Capacity Application and Agreement (ROCA) documents. The Reservation of Capacity Fee shall be held in escrow until all or a portion is either refunded to the developer or transferred to the Authority’s Operating Accounts as specified in the ROCA.

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

Gallagher & Formica moved to approve a sewage connection allocation for ten (10) EDUs, at 230 gallons per EDU, to Hazleton Area School District for property located at 1601 West 23rd Street in Hazle Township, for the Tennis Court Concession/Restroom Building, as described in the sewer permit application package.

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

Stefanovich & Formica moved to approve the Status Quo and Indemnification Agreement between the Authority and NP Holdings 1, LLC for Project Hazelnut.

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

George & Formica moved to authorize submission of the Water Quality Management Part II Permit Application for Project Hazelnut to the PA Department of Environmental Protection conditioned upon review and approval by the Authority Solicitor, Engineer, and Management.

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

Gallagher & Grink moved to adjourn.

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

The regular meeting was adjourned at 6:54 PM

The next scheduled Work Session will be Wednesday, February 18, 2026 at 6:30 PM

The next scheduled Regular Monthly Meeting will be Monday, February 23, 2026 at 6:30 PM

Respectfully submitted,

Greater Hazleton Joint Sewer Authority



Gregory Olander, Assistant Secretary