

THE BOROUGH OF FREELAND MUNICIPAL AUTHORITY REGULAR MONTHLY MEETING WAS HELD IN PERSON ON WEDNESDAY, JULY 15, 2026, AT 6 PM, IN THE CONFERENCE ROOM AT 711 BIRKBECK STREET, FREELAND, PA. PRESENT WERE MR. KAVITSKI, MR. THOMAS, MR. KUKLIS, ATTORNEY MALASKA, BRENDEN MILLER OF HRG, STEVE WALSH OF HRG, TECHNICAL MANAGER AND THE SECRETARY.

SALUTE TO THE FLAG AND MOMENT OF SILENCE

Mr. Thomas stated in memory of Gene Resuta, a veteran, who passed away this week.

JOHN NONNEMACHER & MICHAEL GAIZICK OF SNYDER & CLEMENTE – 2025 AUDIT

Mr. Nonnemacher thanked the Authority for having the firm as our independent auditor again this year. The company financial statements are presented fairly according to the accounting principles accepted in the United States of America. There is also a Yellow Book opinion, related to the Government Auditing Standards, which is a requirement for the USDA Loans.

Mr. Gaizick stated the accounting firm gathers all the information to support all the numbers in the financial statements. The Authority had a lot going on here in 2025 and continuing into 2026. Discussion took place on the Revenues and Expenses. Financial is good with being able to use profits for infrastructural improvements. Interest expenses are low income due to the interest rates from PENNVEST and USDA. The Authority has very strong operating results. The debt service is in a very good position. The Net Position is positive and really strong. The Authority is in a strong financial position overall. It was a very good audit.

Mr. Nonnemacher stated the Water Fund did receive Grants which should make the ratepayers happy. Summary of the Future Debt Service, a very strong financial decision and part of that is the requirement to continue paying the debt service. The Authority has a Net Pension Asset, which is very rare and unusual. (Reference 2759-A).

Carlene Troell posed a question to Mr. Nonnemacher regarding the Pension Plan. Some of the staff are inquiring about adding additional funds to the pension plan. She knows she would need to contact PMRS for the contract to be changed. She asked if it would hurt the Authority at all.

Mr. Nonnemacher stated he thought it was a good idea to check into this matter and no it would not hurt the Authority at all. The only thing I would recommend is not to pay for post-employment benefits after the employee retires.

Mr. Kuklis inquired if an employee decided to contribute more would they be locked in a certain amount every month and Carlene explained this is something which needs to be discussed with the Pension Plan Administrators and how the contract is written.

CITIZENS PARTICIPATION

No citizens were present.

APPROVE MINUTES

The Meeting Minutes were listed on the Agenda as an Executive Session which is an error. The approval is for Regular Meeting Minutes for June 17, 2026.

Mr. Thomas made the motion to approve Regular Meeting Minutes dated June 17, 2026, and Mr. Kuklis second. Vote 3-0.

APPROVE JUNE PAID INVOICES

Mr. Thomas made a motion to approve June paid invoices for the Water Division totaling \$278,310.34, and the Sewer Division invoices totaling \$144,177.36, and Mr. Kuklis second. Vote 3-0. (Ref. 2759-B).

CURRENT INVOICES

Mr. Kavitski made a motion to approve payment of the current Water Division invoices totaling \$373,404.45, the Sewer Division invoices totaling \$87,347.73, and the Sandy Run invoices totaling \$1,156.41 and Mr. Kuklis second. Vote 3-0. (Reference 2759-C).

FINANCIAL STATUS

The Secretary reviewed the Financial Status as outlined in Reference 2759-D.

ENGINEERING REPORT

Mr. Brenden Miller of HRG, Inc., presented the Engineering Report. (Reference 2760-A).

Sewer Area

-SIUA and IPP Items – Brenden Miller explained to the Board Members, Chris Ferdik is not present for the Board Meeting but if you have any questions on his report reach out to Chris.

Mr. Kavitski stated there was a meeting with Chris to review the PCI from the EPA on their findings.

-Sludge Dewatering Project – Mr. Kavitski stated the Authority still does not have the steps at the Sewer Plant. This has been months and things cannot continue like this.

Brenden Miller called Kappe again, they stated the materials will be delivered mid-August and complete installation within a week of material arrival.

Mr. Kavitski inquired why the delay and Brenden Miller stated HRG Structural Engineer had a comment about the handrails, and it is in fabrication right now.

Mr. Kavitski inquired about the Press during the Press Testing and during the testing phase, the Press was running at a .6% digester solids and pictures of the filtrate were crystal clear. The Authority right now has .8% to 1%, and the staff is having nothing but problems with things washing through the filtrate. The Press is out of warranty, what is going on and this is the top of the line, premier Press, we are running higher percent solids now than during the test and getting terrible results. The Primaries are being ruined by all the sludge build up and the Polymer reacting to whatever is being pushed through. How could the test show such good quality, but when we are running it is worse.

Brenden Miller stated he is working with Ryan to obtain data on this situation. He has spoken to Eric Bennett of Sherwood Logan, and he is willing to review the information.

-NPDES Permit Renewal – HRG submitted letter to DEP electronically on June 25, 2026, on behalf of the Authority and now waiting for DEP.

-ACT 537 Special Study – No update.

Water Area

-Oak Street Water Storage Tank – Punch Lists were given to both Contractors by HRG. There are outstanding submittals at this time. Final Completion Walkthrough should be completed within the next two weeks or so.

Mr. Kavitski inquired about the date for the tank coming online and Brenden Miller stated the dark fiber did delay things. Brenden Miller stated the tank can be put online now but HRG would like to wait until the dismantling of the joints is completed.

Mr. Kavitski inquired if Brenden has been up to look inside the building lately because the caulking which was done is a mess. It is all over the floor and there is still a gap between the foundation and floor which allows rain water into the building. Old stuff was not removed; it was just caulked over again.

Mr. Kavitski showed a picture of the work.

Mr. Kuklis inquired if there was an inspector onsite. Mr. Kavitski stated the inspector should have stopped them from completing it this way. The on/off labeling of switches should have been completed, and the cracked panel should have all been documented. These things should not be on a punch list. Mr. Kavitski also discussed the training issues with the valve. The PTD Switch is not acceptable; it is in a building closed up and the switch is mounted so the ports are facing up so any type of condensation will drop inside the switch and short it out. It should be in an IT enclosure. I am not pleased at all; the tank should have been online by now.

Mr. Kuklis stated back in December we were hearing by end of June, and here it is the end of July, and the tank is not online yet. No one on the Board is happy.

Brenden Miller stated he appreciates the concerns from all and we definitely hear them. Regarding the Punch List, the contract will not close out without the Authority being happy. Linde was showing up without the inspector being onsite because of short notice.

Mr. Kavitski stated the slopes were designed correctly by HRG, but Linde did not install correctly. The inspector should have seen this and stopped it.

Brenden Miller stated the same inspector was not on the job the entire time because of the intermittent work which means there were two or three different inspectors. The length of the contract was two years because the manufacturer had a longer time to fabricate the tank, but it was fabricated faster than anticipated.

Mr. Kuklis stated the contractor should be calling Ryan and informing him when they will be there.

Ryan Smith stated they called when they needed something and were already there.

Mr. Kavitski inquired when the training is; for the valve.

Ryan Smith stated he was working with Adam regarding the training which is supposed to take place this coming Monday. He also asked Adam to supply him with who was coming, when and what it all entails and I also spoke to Martin from Keystone so he could see the operation of the valve in SCADA.

Mr. Kavitski stated Martin went to Ryan to set the values of the tank levels. Why didn't HRG supply the levels? The tank was hydraulically modeled.

Brenden Miller stated the levels are on the drawings.

Mr. Kavitski stated he did not know this information and Brenden Miller stated Martin should have reached out to HRG. Brenden Miller stated Martin was contracted through Linde, so Martin should have asked Linde and Linde in return asks HRG for the information. Brenden apologized for this but maybe Martin came to the Authority because he has a working relationship with the Authority.

Mr. Kavitski inquired when the tank will be online and Brenden stated the valve needs to be fixed prior to operation.

Mr. Kavitski asked when this is scheduled and Brenden stated HRG has been in contact with Linde every other day to receive a submittal for this; which has not been provided yet.

Atty Malaska inquired about the inspector, was this an HRG employee or outside vendor and he was informed the inspector is an HRG employee. How many payments are due to Linde and Brenden Miller stated just the retainage is due. Atty Malaska recommended placing all deficiencies in writing to Linde and giving them a timeline for completion.

Brenden Miller stated Linde was given the punch list and is to be completed by end of contract that is July 25th.

Mr. Kuklis stated that the tank should be online on July 25th, correct.

Brenden Miller stated the tank cannot go online until the coupling is changed; the right one was not installed. We will schedule a Final Completion Walkthrough, and the Authority will definitely be there to be sure everything is how you want it.

Mr. Kavitski inquired what the financial damages are after the July 25th deadline.

Brenden Miller stated it is in the contract but not sure of the amounts.

Mr. Kavitski stated we asked for the tank to be online last year. We realized it got cold and we accepted that, but the point now is Substantial Completion is when the owner can use the product. How long ago was Substantial Completion.

Brenden Miller stated less than a month or so and Mr. Kavitski stated Linde is holding us up.

Mr. Kavitski inquired about the video on the roads and Brenden said he would send it again.

Mr. Kavitski stated the screens for vents are laying on the floors and the gauges in the pit are facing the far wall, so you go down the ladder and must climb over pipes to read the gauges. The grass area around the tank was supposed to have topsoil on it, there was no topsoil, only rocks, the tread marks of the dozer and grass seed thrown on top of it. This will destroy a mower.

Ryan Smith stated some of the guys were picking up the rocks the other day.

Mr. Kavitski stated the topsoil should be credited back to the Authority. The Punch List is all documented. Brenden Miller stated there are a few items with the tank. The Punch List was discussed with them. Linde is digging in about the pipe supports and it will take a couple of weeks lead time to get PA Steel Compliant pipe supports. Ryan Smith would like to see a pipe support for the overflow pipe and Mr. Kavitski stated we are not giving Linde a Change Order for this item. The Authority can take care of this later.

Brenden Miller stated no AFP from the General Contractor this month and the retainage being held is more than the Punch List itself. The two applications are from G.R. Noto, Electrical Contractor and there is retainage remaining yet. The Punch List for Noto has been completed. They sent pictures to HRG showing completion, and they appear to be acceptable.

Mr. Kavitski inquired about the mixer, who is responsible for raising it to the proper spot.

Brenden Miller stated Linde is trying to find a sub to take care of the mixer. Ryan Smith informed Brenden Miller that there is power to the control valve, but the Authority did not know which breaker it was.

Mr. Kavitski stated I think we should start by applying the late charges after July 25th.

-SRBC Consumptive Use Mitigation Project (Digital Twin) – Attached to the Engineers Report is a draft monthly WaterSight Report. HRG will work with FMA to include requested information in the Monthly Reports. The version is the first one to show how information can be presented. HRG would like to set up a meeting to discuss what the Authority would like to see in this report.

Mr. Kavitski stated if the chart is right the water loss is 30% and we need to get that under control. The data loggers should be finding the leaks.

Ryan Smith stated the three listed in the report of the data loggers are not leaks. There may be interference and are pulled out, and we are working with 540 Technologies. The Authority searched for a leak on Walnut Street and there is not one. The Authority pulled 5 data loggers out today for problems.

Mr. Kuklis stated the batteries were to last three to five years and they are failing with the year.

Ryan Smith stated my opinion they do not like to be submerged.

Mr. Kavitski stated he is not happy with the way the data loggers are working with a town as small as Freeland, they should be finding leaks with the 74 sensors that are installed. The report shows electrical or traffic interference that are problems for the sensors.

Brenden Miller stated this was all procured through a grant, but I hear exactly what you are saying.

Mr. Kavitski stated the grants are being paid by everyone. The Authority will look over the report and let you know what information we would like to see. Mr. Kavitski inquired if Well 6 was fixed regarding the ground.

Ryan Smith stated no but I have a revised quote we will discuss later.

-Sandy Run Corrosion Control Study – HRG was authorized to submit the permit application, and construction will need to be completed by September 2027.

-Iron and Manganese Treatment – No update. Mr. Kavitski stated Well 6 will not be placed back online unless we are in a drought. Mr. Kavitski stated his home is getting a metallic smell when running water and his home is plumbed in pex piping. We need to wait for an update on the PFAS Settlement.

Ryan Smith stated the PFAS Settlement, the Authority should know the amount of monies awarded in September which is the last update he received. All paperwork has been submitted.

-CFA Small Water & Sewer Grant – The grant for the Water Piggings Project was awarded to the Authority, which is only a partial of the total grant application. HRG and FMA will need to meet to see exactly what can be done for the amount awarded which was \$245,851.00, and three-year time frame to spend the money. HRG would like to wait until the Oak Street Storage Tank is completed.

-CFA Small Water & Sewer Grant – A grant application was prepared and submitted for the Fe/Mn Well Project in November of 2025. HRG will report to the Board when a decision is made by CFA on the application.

SEWER DIVISION

No additional items

WATER DIVISION

Oak Street Water Storage Tank Contract #24-04 Electrical Construction Pay App #5 - G.R. Noto in the amount of \$2,624.40; Mr. Thomas made the motion to approve and Mr. Kuklis second. Vote 3-0. (Reference 2762-A).

Oak Street Water Storage Tank Contract #24-04 Electrical Construction Pay App #6 - G.R. Noto in the amount of \$3,600.00; Mr. Thomas made the motion to approve and Mr. Kuklis second. Vote 3-0. (Reference 2762-B).

Approve PENNVEST Payment Request #15 in the amount of \$117,443.97 for the Oak Street Water Storage Tank Project, Mr. Kuklis made the motion to approve and Mr. Kavitski second. Vote 3-0. (Reference 2762-C).

Mr. Kavitski made the motion to approve SmartSights – XL Reporter Software Renewal for SCADA System for the 3-Year Quote in the amount of \$7,560.00, and Mr. Kuklis second. (Ref. 2762-D).

MANAGER REPORT

Ryan Smith presented the Technical Manager report. (Reference 2762-E).

The new report is condensed since there is a weekly Technical Manager report sent to the Board.

LRM Quote - Spare Parts – For the chemical systems at the Authority, Quote is for \$7,171.00, Mr. Kavitski made the motion to approve and Mr. Kuklis second. Vote 3-0. (Reference 2762-F).

Distiller Element Quote not approved at this time.

Modern Pump & Equipment Inc. Well 6 Revised Quote – The problem has been the shielded cable, trying to find what the Authority wants. Modern Pump is recommending a Power Input Filter for the power to the VFD, to clean up the signal at Well 6.

Mr. Kavitski stated the Authority should speak to the VFD Manufacturer regarding the Power Input Filter before installing and will it help with the interference. Every SCADA system should have an isolated ground whether we are having problems or not.

Ryan Smith stated Well 6 has a ground now which Forschner installed. Well 11 has no ground. Modern Pump did speak to Schneider Electric about cleaning up the signal by programming the drives which did

not work. I will call Schneider to make sure the Power Input Filter is acceptable to them, and I will meet with Wireworxs for a quote and full system evaluation of all wells and SCADA Systems. Modern Pump Quote dropped from \$27,610.50 to \$24,039.30, with the Power Inlet Filter. Mr. Kavitski inquired if the Power Inlet Filter does not work; what will Modern Pump do. Ryan Smith stated they offered to provide a level sensor and see if they can get it to work instead of using the Authority one. Mr. Kavitski stated if they put the Power Filter In and it does not work or they going to remove it and provide the Authority with a refund. Ryan Smith stated he will speak to Modern Pump and inquire what they will do in this case. Mr. Kavitski stated I do not mind spending money but not throwing it away. Mr. Thomas stated if it corrects the problem that is one thing but if it does not work that is another. Ryan Smith and the Board all agreed to table the quote for another month. Quotes for the two VFD replacements to the WWTP were tabled. Ryan Smith stated the quotes did not include the modifications in the SCADA System for the VFDs. Mr. Kavitski inquired what are we changing in the SCADA System. Ryan Smith stated they need to be programmed within the sequence, but it should be done already. Ryan stated he spoke in depth with one vendor and possibly due to changing the drives. Mr. Kavitski stated we definitely need to table this quote.

ENGINEERING INVOICES

Mr. Thomas made the motion to approve HRG Invoice #208932 \$429.00; Invoice #210870 \$180.00; and Mr. Kuklis second. Vote 3-0. (Reference 2763-A).

ATTORNEY REPORT

Atty Malaska attended the EPA-Citterio inspection report meeting via Zoom. Atty Malaska spoke with Ryan Smith regarding the dash cameras and there will be no audio and there should be a policy developed for the use of the dash cameras. Atty Malaska spoke regarding the PAWC meeting with some dates to be provided. PAWC is stating the capacity issue is the only issue remaining for an agreement to be in place. Maybe place studying the I & I, or improvements within their system into the agreement. Mr. Kavitski stated the Authority could advertise the meeting with PAWC as a Special Meeting, that is possible. Mr. Kavitski stated PAWC needs to show the Authority why they need the capacity they want. There needs to be a deadline for each set item if the Authority plans to go this way. Atty Malaska discussed the situation with Mr. Alcantara applying for water service. Ryan Smith received a call from his attorney today. Mr. Kavitski stated the Authority staff cannot speak to any attorney without having the Authority Attorney present or on the line. Any Attorney that calls here would be told that so for the future Ryan, do not speak to an Attorney. It was absolutely wrong for them to do. There is a picture for three water connections and telling the Authority it is seven units when they do not have zoning approval for the total number of units. Mr. Kavitski spoke to the Borough regarding this address. Freeland Borough explained they need to go through zoning approval for that number of units. The Code Department is supposed to be looking into the wall and the construction for fixing a collapsing wall. Freeland Borough told us not to give them water and we did not. They went to Code Department, and they said to give them water for construction purposes. The Authority will give them the water, but they need to pay the money they owe, pay for water & sewer service for construction only; no units to be occupied. Codes and Zoning would need to approve the building prior to additional meters. Atty Malaska explained to the Board he received a letter from his Attorney and Atty Malaska spoke to Ryan Smith and Carlene Troell to gather information. Atty Malaska asked for the basis of the Authority saying no to the water service. Mr. Kavitski stated they owe us money. Atty Malaska stated the only condition for not turning on water is unpaid bills. The Authority should receive something in writing from the Borough when they do not want water service on. The Code and Zoning does not give the Authority basis not to turn water on. Atty Malaska will draft a letter, and the Authority should reach out to Insurance Carrier for possible lawsuit. Mr. Kavitski stated Barry Issett has not done an inspection of the property. The wall is not correct which he did. The other connections need to be removed, place this in the letter. Atty Malaska stated all construction items the Borough needs to follow through with; not the Authority.

OPEN/OTHER ACTIONS

Rainfall for the month was 5.14".

Mr. Thomas made a motion to hire Jonathan Stish, Licensed Sewer Operator, contingent upon test results, and Mr. Kavitski second. Vote 3-0.

Ryan Smith informed the Board about 942 & 944 Burton Street; the Authority line was lowered. He is inquiring about the remaining homes which did not come to the Authority; he would like to lower the remaining homes.

Mr. Kuklis inquired about the number of homes and Ryan Smith stated he thought it was three.

Mr. Kuklis inquired about the depth now and Ryan Smith said they are around 36 inches, but we will make sure we are below 4 feet when completed.

Mr. Kavitski stated the Authority does put out a Robocall, reminding people to run their water in cold weather.

Ryan Smith inquired about the date for the meeting with the Board, has it been rescheduled.

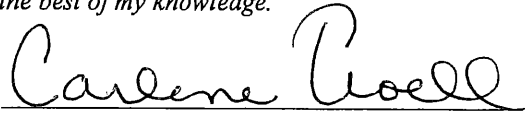
Mr. Kavitski stated July 28th at 10 AM.

Mr. Thomas made a motion to adjourn the meeting and Mr. Kavitski second. Vote 3-0.

These minutes are certified to be true and correct to the best of my knowledge.



Paul Thomas, Secretary



Carlene Troell, Non-Member Secretary