

THE REGULAR MONTHLY MEETING WAS HELD ON WEDNESDAY, OCTOBER 16, 2019.
PRESENT WERE MR. KAVITSKI, MR. FISHER, MR. THOMAS, MR. LINDSEY, CHUCK
MADISON, STEWART SMITH, JR., THE SOLICITOR, THE ENGINEER AND THE SECRETARY.

SALUTE TO THE FLAG AND MOMENT OF SILENCE

For anyone who is having problems during this inclement weather in the upper states.

CITIZENS PARTICIPATION

Mr. Butch Balas, owner of 185 East South Street property, stated he is cleaning out the ditch because it floods his property. This ditch is located between his property and PGA but is also a right of way for water and sewer lines for the Freeland Municipal Authority. Mr. Balas stated Freeland Borough does not have to pay for anything he is using his own equipment and materials. Mr. Balas also states he has not undermined anything. All he wants to do is build a retaining wall and fix the ditch. Mr. Balas did inform the Board that he had to repair his sewer line because he did damage to it during digging. Mr. Balas did show the Board pictures of the project he is completing.

Mr. Spock arrived at 6:08 PM for the meeting.

Mr. Balas told the Board about a terra cotta pipe that must be coming from PGA and he is extending this pipe into the stormwater outlet.

Mr. Kavitski expressed concern about what may possibly flow from this pipe since PGA washes plastics for recycling. Mr. Balas stated he has a "clean out" attached to this pipe so the Authority can camera or look at this pipe at any time. Mr. Spock stated he is glad the Authority was made aware of this pipe, but Mr. Kavitski also has concerns about what if anything is coming from this pipe and being discharged into the stormwater drain. The Authority has two very good producing wells in the local area.

Mr. Kavitski did inform Mr. Balas of FMA's concerns of frost since all the virgin ground has been disturbed and the ditch that Mr. Balas is referring to is a stormwater ditch, which has nothing to do with the Freeland Municipal Authority. Mr. Kavitski did advise Mr. Balas that there are guidelines for PA One Calls, which were not placed and maybe permits for Freeland Borough.

Mr. Balas stated he will finish the work that he has started, and he will finish the ditch for the stormwater drain. Mr. Balas stated he is doing a far better job than anyone else could do and he is going to continue with the job he has started. After all, it is all his time, material and monies. He stated he is doing this for the town and that the Authority should come and help him out. He also said he knows where everything is located and will continue with his retaining wall.

Mr. Balas stated you do not need a permit for a landscaping job and Mr. Kavitski said he is not certain on Borough codes. Mr. Balas also questioned about service lines and fire lines, who is responsible for what. Mr. Kavitski stated from curb box into the building for water supply is customer responsibility and the fire supply line is all customer responsibility, the Authority only supplies the water for it.

Mr. Kavitski stated again there are rules and procedures when digging and the PA One Calls should have been placed. Mr. Kavitski said to Mr. Balas you did more than just clean a storm drain. You dug and removed dirt and replaced with stone. You did a good job, but procedures should have been followed and plans should have been developed.

Mr. Balas thanked the Board for the time and left the meeting.

JOHN NONNEMACHER OF SNYDER & CLEMENTE – 2018 AUDIT

Mr. Nonnemacher thanked the Board for allowing the firm to complete the audit. The audit purpose is to render a decision on the financial statements and the internal controls.

Mr. Christopher Hetkowski of Snyder & Clemente went over the financial statements with the Board. The Authority is in good financial shape. The working capital cash for the Water Division is 7.2% for the year and the Sewer Division is 4.88% for the year.

Mr. Nonnemacher stated the audit was more in depth this year due to the USDA monies for the Birkbeck Street Reservoir Project, which is called a yellow book audit. The compliance side is very complicated for

the audit. A CFDA number is assigned from USDA, which gives what compliance orders are needed and all the procedures that are to be followed. Then, all the information is electronically submitted to the USDA.

The Due to/Due from accounts will be cleaned up by end of the year. Going forward, every month the adjustment will be completed at end of month. The Board is all in agreement for the process to be implemented for the coming year.

Christopher Hetkowski and John Nonnemacher both thanked Carlene for making things uncomplicated and gathering all information that was needed to complete the audit. (Reference 2215-A).

APPROVE SEPTEMBER MINUTES

Mr. Fisher made the motion to approve and Mr. Lindsey second. Vote 5-0.

Mr. Fisher asked if the Authority can turn off water from November to April because this was brought up at the Freeland Borough meeting. The Office Manager and Technical Manager informed Mr. Fisher the Authority is not regulated by the PUC, so the Authority can terminate water service any time of the year. Mr. Fisher also inquired about duplex houses with a single service line. He was informed that there are some duplexes that have one service line and that does hinder the ability to turn water off at times. Mr. Kavitski mentioned the Authority did request a few months ago for Freeland Borough to approve a single service line ordinance, but Freeland Borough denied the request due to cost to the customers.

APPROVE SEPTEMBER PAID INVOICES

Mr. Thomas made a motion to approve the September paid invoices for the Water Division totaling \$ 89,754.07 and the Sewer Division invoices totaling \$ 60,362.52, and Mr. Fisher second. Vote 5-0. (Reference 2215-B).

CURRENT INVOICES

Mr. Thomas made a motion to approve payment of the current Water Division invoices totaling \$ 107,269.87, the Sewer Division invoices totaling \$ 50,579.52 and the Sandy Run invoices totaling \$ 972.79 and Mr. Spock second. Vote 4-0. (Reference 2215-C).

Mr. Kavitski asked the Board Secretary to contact Meiser & Earl for a detailed breakdown of their invoice #21903 dated October 10, 2019 before rendering payment.

FINANCIAL STATUS

The Secretary reviewed the Financial Status as outlined in Reference 2215-D.

Board Secretary explained to the Board of Directors about taking debit/credit card payments at the Authority building. The fee would be passed to the customer and would not cost the Authority any fees through First National Bank. The fees associated with payment of credit cards is less than the vendor the Authority has now. The Authority would also be able to link the payment of customer bills with a debit/credit card to FMA's website with a "Pay Your Bill" button on the home page. The entire Board agreed to start accepting debit/credit card payments through First National Bank. (Reference 2215-E).

SEWER & WATER ENGINEERING REPORT

See Engineering Report Reference 2215-F.

Samantha Alberts of Borton Lawson reviewed her engineering report and everything that was discussed was included on her report.

Ms. Albert of Borton Lawson did inform the Board about the Change Order for the Hayden contract. They will be supplying the VFD for Well #4 because their cost is \$33,518.00, Kohls Bros. cost was much higher and now all the well houses will be identical. Well #4 is 190 Ft deep & Well #11 is 270 Ft. deep. Ms. Albert of Borton Lawson has concerns about the bronze check valve for Well 4 but after much discussion Chuck Madison, Technical Manager sees no problems with this bronze check valve.

Ms. Albert reviewed with Hayden all the electrical panels and the locations of the installations and Chuck Madison and Stewart Smith approved.

Mr. Kavitski also requested the Authority to obtain pictures of the label on the motor and pump before it is installed in Well #12. After discussion, the Authority will have Foreman, Stewart Smith, or Regulatory Specialist, Brittany Caskey, take the pictures. Well #12 is not listed in the corrosion control permit with DEP so a minor permit amendment must be done. The Authority is awaiting the yield output and water quality tests of this well before proceeding with the permit amendment.

Ms. Albert of Borton Lawson informed the Board, Mr. Gene Zynel, complimented the Authority on the quality of the water. It is the best that he has seen in years and he does not have to replace water filters at his mom's house as often. Mr. Kavitski also stated Mr. Zynel called him on the water quality being better.

Mr. Kavitski did stress to Samantha Albert of Borton Lawson, USDA has given the Authority until the end of this year to complete everything.

PADEP ACT 537 Special Study

Nothing completed on this study this month. A lot of data being compiled at the WWTP which needs to be reviewed. With wintertime coming upon us, I & I and sewer repairs will have to wait until springtime.

POTW Pretreatment Program Development & Implementation

Borton Lawson has only received 2 samples from Citterios and Ms. Albert will contact Mr. Augustine. Citterio has responded to EPA industrial survey but are questioning which sampling requirements are needed. The salt content from Citterio USA is very high. The cost of electricity goes up for the blowers to operate at the sewer plant. Mr. Spock informed the Board the salt content is also affecting Foster Township sewer manholes too.

Ms. Albert will call Ryan at EPA to see if he is willing to give a list of the sampling requirements for Citterios or Citterio may have to test for all sampling requirements to prove they are no detects like the Authority had to do in the beginning.
EPA is asking for a formal submission of the POTW plan per Ms. Albert of Borton Lawson.

PGA has not responded to the EPA industrial survey at all.

WATER DIVISION

Mr. Thomas made a motion to approve the RUS Reimbursement Request #20 for \$ 216,227.19 and Mr. Lindsey second. Vote 5-0. (Reference 2216-A).

Re-drilling diameter of Well #4 by Leib Drilling will cost \$1500.00 this is beneficial for the redevelopment of the well. Ms. Albert spoke to Jay Lynch of Meiser & Earl, who both agree the work should be done. All Board Members agreed to this procedure.

Mr. Kavitski did question the 6" diameter of the borehole versus the 5.88" diameter of the vertical turbine for installation and Ms. Albert of Borton Lawson does not see any problems with the diameters at all.

Notice of Section 529 Acquisition Investigation Letter

The PUC has sent a letter regarding Indian Springs Water Company located in Fairview Township, Luzerne County, Pennsylvania. The PUC is looking for a utility company to acquire it. Attorney Fagan did respond to the petition asking to be removed from consideration of this acquisition. (Reference 2216-B).

BORTON LAWSON INVOICES

No invoices were received at this time.

ATTORNEY REPORT

Attorney Fagan recommended amending the Rules and Regulations of the Authority to include a Theft of Services paragraph with the fines starting at \$250-1st Offense, \$500-2nd Offense, \$1000-3rd Offense, and

\$2000-4th Offense and this would be in addition to if the Authority wanted to pursue criminal action. Attorney Fagan has been in contact with Mr. Brian Lisiewski of Aveen Solar Project and they currently are discussing changes in the potential lease of land in Upper Lehigh.

MANAGER REPORT

All newly installed water meters will have locking mechanism on them so the Authority will know if a customer tampers with the meter. The plumbers in the region need to understand they are not supposed to touch a water meter, this is Authority property only.

Currently looking for prices for an analyzer, double walled tanks, and chemical feeds for Well #12, if the water yields are good. Mr. Kavitski stated the Authority will have Herb Spencer come and do the corrosion control reports pending on water yield of the well.

Authority guys will insulate the well houses after Hayden is done with electrical work.

They also come in on weekends and do the rounds at all well houses to be sure everything is fine.

John Kanuck asked the Authority for a driver for the borough truck when Franzosa starts paving streets. Asked the Borough for confirmation on adding the driver to their insurance policy, which FMA has not received yet.

929 Burton St., called the office and said water was entering the basement of the home. Stewart Smith went to the home. Upon the investigation, illegal floor drains, roof gutters, and sump pump all connected to the sewer lateral. Asked Attorney Fagan to send letter to customer about removal of the following items and to call for FMA to re-inspect.

FMA will re-check Mr. Ceriani's sewer lateral tomorrow after today's heavy rain.

Wyoming St PS is being graded and rolled with stone. The Board Secretary asked if the millings from Ridge Street could be used to harden the driveways into the well houses, but the Authority will have to inquire about this with the Borough Foreman, John Kanuck.

OPEN/OTHER ACTIONS

Mr. Thomas made the motion to hire James Wolfe retroactive to September 9, 2019 and Mr. Kavitski second. Vote 5-0.

No decision on the Group Health Insurance which is coming up for renewal and has been tabled for next month meeting. Mr. Kavitski asked Mr. Thomas and Mr. Fisher if they have heard from the union for any dates on negotiations and the answer was not yet.

Mr. Thomas stated he recommends the Authority does not combine the employee handbook into the new upcoming union contract. Mr. Thomas feels they should be separate documents and the union should honor both documents. Discipline issues are vague in the union contract per Mr. Fisher and he would like to address things in negotiations.

298 Rear Brengle Street has withdrawn the application for new water and sewer connections and the tap-on fees were refunded to customer.

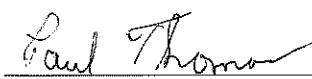
FMA 1st Newsletter will be mailed with customer bills in November. (Reference 2217-A).

Mr. Kavitski asked Mr. Fisher what Freeland Borough plans to do with Mr. Balas and the situation with the retaining wall. Mr. Kavitski is concerned if the line freezes Mr. Balas should be held responsible since he has disturbed all the virgin ground in the area or if the Authority wells become contaminated. Also, he stated the importance of PA One Calls. Mr. Kavitski stated that no one on Freeland Borough Council or the Solicitor Attorney Slusser responded to his email that he sent regarding the whole situation.

ADJOURN

Mr. Spock made a motion to adjourn the meeting and Mr. Fisher second. Vote 5-0.

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


Paul Thomas, Secretary


Carlene Troell, Non-Member Secretary