

THE REGULAR MONTHLY MEETING WAS HELD ON WEDNESDAY, DECEMBER 20, 2017.
PRESENT WERE MR. THOMAS, MR. SPOCK, MR. FISHER, CHARLES MADISON, STEWART
SMITH, GENE ZYNEL, THE SOLICITOR AND SECRETARY.

SALUTE THE FLAG

ROLL CALL

MOMENT OF SILENCE FOR REMEMBRANCE OF MR. RICHARD LINDSEY'S FATHER AND
HIS MOTHER IN LAW

CITIZEN PARTICIPATION

Joseph Mummello was present.

APPROVE NOVEMBER MINUTES

Mr. Spock made the motion and Mr. Fisher second. Vote 3-0.

APPROVE NOVEMBER PAID INVOICES

Mr. Fisher made a motion to approve the November paid invoices for the Water Division totaling \$ 87,400.87 and the Sewer Division invoices totaling \$ 50,525.78. Mr. Spock second. Vote 3-0. (Reference 2114-A).

CURRENT INVOICES

Mr. Spock made a motion to approve payment of the current Water Division invoices totaling \$27,337.59, the Sewer Division invoices totaling \$ 75,039.41, and the Sandy Run invoices totaling \$ 161.61. Mr. Thomas second. Vote 3-0. (Reference 2114-B).

FINANCIAL STATUS

The Secretary reviewed the Financial Status as outlined in Reference 2114-C.

Mr. Kavitski arrived at 6:05 PM and presided over the rest of the meeting.

In the Sewer Budget, there will be no rate change. In regards to the Water Budget, there may be a possible rate increase in May of 2018 on the base rate. The rate increase was tabled for the moment because the board wanted to hear the audit report from John Nonnemacher of Snyder & Clemente to make a more informed decision.

The Birkbeck Street Reservoir Project contractors, LB Industries and George J Hayden, their submittals were received and are being approved at this time.

Mr. John Kanuck has completed the project sign and Mr. Kavitski complimented him on the sign.

JOHN NONNEMACHER OF SYNDER & CLEMENTE ACCOUNTING FIRM

See Reference 2114-D.

Mr. Nonnemacher was present to discuss the 2016 Audit for the Freeland Municipal Authority Water & Sewer Divisions. The Authority is ran like a business and the focus is net income and cash flow. The pension is part of the financial statements on the audit and we are still awaiting word from PMRS for some information. In 2015 and prior years, the pension contributions were reported incorrectly on employees W-2's, which is corrected now. This error may be approximately a \$1500.00 liability to the Authority for all the employees. PMRS has not informed Snyder & Clemente if or how to correct this error.

Mr. Nonnemacher did inform the board that we are not the only authority that has done this incorrectly because PMRS is now drafting an error correction policy.

As far as the financial snapshot, the water division should develop a buffer for cases of emergencies. Mr. Nonnemacher stated the Authority is well managed and we have always taken a proactive approach with our maintenance program and it truly shows.

Mr. Kavitski did ask if the Authority should look into a rate increase on the water division in which, Mr. Nonnemacher replied he does recommend it.

SEWER DIVISION REPORT

See Engineer Report Reference 2115-A.

Mr. Zynel stated the longer cable for the probe is now completed. The heater for the rain gauge is now installed. The magnesium hydroxide tank was put back into service. We are at dumpster #71 with 88 dry tons and last year we were at dumpster #71 with 93 dry tons.

Mr. Madison is developing a wench system to help with moving the dumpster in which will help with the raking of the sludge. Mr. Zynel said he just received the test results from Suburban Testing Labs and has not gone over the results yet. Mr. Zynel has noticed that the industrial surcharge has decreased dramatically and Citterios EDU's are on the decline too.

Mr. Zynel is currently completing paperwork for the sludge to possibly go to Alliance for disposal at the landfill. Alliance has a cheaper per ton disposal and dumpster container fee.

WATER DIVISION REPORT

Mr. Thomas made a motion to approve the single service line ordinance for Freeland Borough, Foster Township and Butler Township and Mr. Fisher second. Vote was 4-0. Attorney Fagan will send to each of the borough/township. Reference 2115-B.

BORTON LAWSON AND GHD INVOICES

GHD Invoices Mr. Fisher made a motion to approve and Mr. Thomas second. Vote 4-0 Reference 2115-C.

Borton Lawson Invoices Mr. Thomas made a motion to approve and Mr. Spock second. Vote 4-0. Reference 2115-D.

ATTORNEY REPORT

Attorney Fagan stated the estate of Thomas Zoshak was paid the accrued sick and vacation time and this matter is finally concluded.

Attorney Fagan informed the board that Clarence Sontag and Fred Rose are entitled to the wage rate difference. Mr. Thomas made a motion to pay them and Mr. Fisher second. Vote 4-0. Reference 2115-E.

MANAGERS REPORT

Two of the modems need to be repaired and Martin from Keystone Engineering will be here in the morning. These modems are showing their age and will need to be replaced going forward.

LB Industries wants to use Mag meter for the reservoir project and Borton Lawson Engineering will be reviewing and will have answers at the January 9th, 2018 construction meeting.

Insulation job at the annex garage was completed but there was an issue with the insulation being removed and tucked into the corners of the garage. Mr. Madison did send a letter with the invoice in regards to this matter.

Mr. Madison wanted to have one of the guys work from 7:30 am to 4:00 pm to cover the shift like Mr. Ondish but there was no determination made in this matter.

Flushing of the hydrant system was discussed along with flushing the Freeland Village system, if they agree to flush their system, we will record the meter reading and credit them.

All hydrant markers are in place now.

Plum Air was here and serviced all of the gas heaters.

OTHER/OPEN ACTIONS

Mr. Spock made a motion to renew the contract of Eugene Zynel and Mr. Fisher second. Vote 4-0.

Mr. Thomas made a motion to offer Mr. Rick Alexander, the waste water operator position, all contingent with obtaining a Class C license within 6 months, background check with physical and drug testing, with Stewart Smith and Gene Zynel training him and Mr. Fisher second. Vote 4-0.

In reference to the single service line ordinance, Mr. Murnello asked how long a person would have to complete once a notice is served and Attorney Fagan stated 180 days. Mr. Murnello also stated there are many duplexes that have 1 service line with 1 water meter but rent multiple units, which we stated we try to rectify this situation when it becomes apparent to us. There are many duplexes in town that have only one meter but they are charged accordingly by unit. Mr. Murnello stated, "There are several duplexes not being charged accordingly." The Authority asked for names and he was not willing to name the properties.

At 7:42 PM the Authority Board calls an executive session.

At 8:15 PM the Authority Board ends the executive session and continues with the meeting.

Appointment of the Office Manager position to Carlene Troell motion made by Mr. Spock and Mr. Fisher second. Vote 4-0. Carlene Troell will need to be bonded and have check signing abilities.

Mr. Thomas made the motion for salary adjustments for Lisa Zeravsky to be set at \$16.00 per hour and salary adjustment for Carlene Troell to be set at \$16.00 per hour with a 6 month review to make any adjustment to salary. Reference 2116-A

Elimination of employment contracts for hourly people to be replaced with written job descriptions. Mr. Fisher second. Vote 4-0.

Mr. Fisher made a motion for the approval of Black Birch Engineering Inc. to upgrade computer and software at the sewer treatment plant with Pat installing the computer for the cost of \$7300 and Mr. Spock second. Vote 4-0. Reference 2116-B.

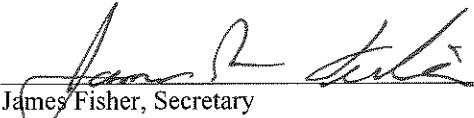
Attorney Nick Haros with Samantha Albert of Borton Lawson Engineering will be gathering information for NOV's for Citterio and PGA.

Mr. Madison stated the domestic water line has been located and could be shut off if there is no response from PGA about future disconnect notices.

ADJOURN

Mr. Thomas made a motion to adjourn the meeting. Mr. Fisher second. Vote 4-0.

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


James Fisher, Secretary


Carlene Troell, Non-Member Secretary