

LACKAWANNA RIVER BASIN SEWER AUTHORITY
REGULAR BOARD MEETING
AUGUST 12, 2024

The Regular Meeting of the Board of Directors of the Lackawanna River Basin Sewer Authority was held on Monday, August 12, 2024, 6:00 P.M. in the Conference Room of the Authority, 145 Boulevard Avenue, Throop, Pennsylvania. Mr. Kerl, Chairman, presided.

1-2 Salute to the Flag was followed by Roll Call, indicating the presence of the following:

	Mr. William Kerl
	Mr. Paul Ruddy
Absent	Mr. Joseph Brady
Absent	Mr. Peter Larioni
	Mr. Alexander Chelik
	Mr. Robert Caljean
	Mr. Thomas Wascura
	Mr. Joseph Chowanec
Absent	Mr. Eugene Prusinski

The Chair declared a Quorum present.

Also in attendance were the following: Atty. Paul Mazzone, Solicitor; Atty. Rocco Valvano, Solicitor; Michael Matechak, Executive Director; Robert Davis, Plant Superintendent; and Melissa Cravath, Billing Director.

3. The Chair called for the Report of the Secretary. In the absence of Mr. Larioni, Secretary, Mr. Chelik, Assistant Secretary, gave the report stating that copies of the Minutes from the July 8, 2024 meeting had been distributed to all Board Members and asked that the reading be dispensed with.

Mr. Chowanec made a motion to accept the July 8, 2024 minutes as presented. Mr. Caljean seconded the motion. All Board Members voted unanimously to approve. Motion carried.

4. The Chair called for the Report of the Treasurer. Mr. Caljean, Treasurer, presented the report as follows:

Schedules of Accounts Payable:

Operational Expenditures	\$319,476.34
Interim Expenditures	\$310,856.42
Capital Improvement Fund	\$ 38,536.73

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Mr. Wascura made a motion to accept the Treasurer's Report as presented. Mr. Ruddy seconded the motion. All Board Members voted unanimously to approve. Motion carried.

5. Atty. Valvano reported that twenty (20) liens were filed in Lackawanna County, four (4) liens were satisfied in Lackawanna County and two (2) liens were satisfied in Susquehanna County since the last meeting.

Atty. Valvano stated that he participated in a conference call with Pennvest regarding the Clinton project and will continue to monitor e-mails up to the closing of the Pennvest loan.

Atty. Valvano reported on the ongoing union contract negotiations. A tentative agreement was reached with the clerical workers who will be voting on the proposal later this month. There was one item in negotiations with the plant workers on which an agreement could not be reached. However, management requested that their final offer be presented to the full membership for a vote. A vote is expected later this month.

Atty. Valvano noted that the Sheriff's Sale held in Lackawanna County on July 12th was attended by a representative from their office.

Mr. Chelik made a motion to accept the Solicitor's report. The motion was seconded by Mr. Ruddy. All Board Members voted unanimously to approve. Motion carried.

6. Ms. Cravath, Billing Director, gave the Billing Office Report dated July 31, 2024. The estimated Accounts Receivable for the second month of the second quarter are \$2,356,238.33. The amount collected through the second month of the second quarter was \$2,154,229.46. This amount is under the estimated collections by \$202,008.87. Ms. Cravath reported that there were twenty (20) liens filed during the month of July. Year to date liens filed are one hundred seven (107). There were six (6) liens satisfied by Atty. Mazzone's law office during the month of July. Year to date liens satisfied are sixty-six (66). There were twelve (12) averments filed year to date.

The Montage Sewer District collections for the July billing totaled \$50,686.94. Jefferson Township's July 2024 bill in the amount of \$98,625.00.00 for 1315 units was paid on July 16th. Scott Township has been sent their July 2024 bill in the amount of \$112,209.69 consisting of \$110,400.00 for 1,472 EDUs and \$1,809.69 for one metered service.

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Credit card payments for the month of July were one thousand, two hundred one (1,201).

Mr. Davis presented the Project Status Summary. Contract 21-2: Vandling Pump Station Gravity Sewer Construction - Sale of the abandoned pump station property to an adjacent property owner is pending. The Wayne County Conservation District will conduct a final inspection of the site erosion and sedimentation control measures on August 13th with the intent of closing out the PADEP erosion and sedimentation control permit. A change order in the deduct amount of \$6,153.75 is proposed for deletion of demolition of the Vandling pump station building.

Mr. Matechak asked the Board for approval of the proposed deduct change order in the amount of \$6,153.75.

Mr. Caljean made a motion to approve the proposed deduct change order to Contract 21-2 in the amount of \$6,153.75. The motion was seconded by Mr. Chowanec. All Board Members voted unanimously to approve. Motion carried.

Contract 23-5: Clinton WWTP Motor Control Center Replacement Project - The new power distribution panel that was scheduled to be delivered in September was received early. The panelboard was installed, and the new power feeds were run to the two (2) existing aeration blowers from the new motor starters. Delivery of the new motor control center section is still scheduled for September 2024

Contract 24-2: Streambank Stabilization- Dickson City Borough and Throop WWTP Outfall - PADEP permits have been obtained. The application for a Throop Borough floodway permit required for the Throop WWTP Outfall work is pending.

Contract 24-3: Clinton WWTP Secondary Clarifier Replacement - Contract awards are being coordinated with the respective low bidders. Closing of the Pennvest loan is anticipated in late October.

Contract 24-3.1: General Construction - Milnes Company, Tunkhannock, PA - \$5,520,596.00.

Contract 24-3.2: Electrical Construction - Everon Electrical Contractors, Scranton, PA - \$429,925.00.

Contract 24-3.3 HVAC Construction - Scranton Electric Heating & Cooling Service, Inc., Throop PA - \$31,976.00

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Mr. Davis provided an update on the raw sewage pump motor at the Throop plant. It was decided to have the motor rebuilt rather than replacing it with a new unit. The rebuilt motor will be delivered Friday, August 16th for installation.

Mr. Matechak advised that coordination is ongoing to award the three (3) prime contracts for Contract 24-3. In addition, documents are being compiled for the Pennvest loan closing anticipated to take place in late October. The bids for the project came in higher than was originally budgeted for the Pennvest loan. The Authority will make a request to Pennvest for a supplement to the previous award. The initial Pennvest award was in the amount of \$5,345,708.00. The revised funding request is \$6,902,434.00. That amount will fund the project 100%. The Authority has also been awarded a proposed EPA Grant in the amount of \$959,757.00 which we still anticipate receiving. However, there is a separate application process for those funds. The intent is to obtain 100% project funding with the Pennvest loan. If the EPA Grant is delayed, the project will still be fully funded. When the EPA Grant is received, the loan principal will be reduced by the total grant amount.

Mr. Matechak requested Board approval of documents required for the Pennvest loan closing. Mr. Matechak presented a Resolution to Borrow, which authorizes the Authority to request and receive funding from the Pennsylvania Infrastructure Investment Authority for financing the Clinton WWTP Secondary Clarifier Replacement Project in an amount up to \$6,902,434.00.

Mr. Chelik made a motion to approve the Resolution to Borrow. The motion was seconded by Mr. Wascura. All Board Members voted unanimously to approve. Motion carried.

Mr. Matechak presented a Resolution of Reimbursement. This resolution states that the Authority anticipates paying the project costs as they are incurred from our general funds, and that the Pennvest loan disbursements will be used to reimburse our general fund account.

Mr. Chowanec made a motion to approve the Resolution of Reimbursement. The motion was seconded by Mr. Caljean. All Board Members voted unanimously to approve. Motion carried.

Mr. Matechak presented a Resolution to authorize the office of Mazzone, Valvano, Szewczyk and Karam to prepare all legal documents necessary for settlement of the Pennvest loan. They will provide these services at a fee not to exceed \$20,000.00

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Mr. Ruddy made a motion to approve the Resolution authorizing the Solicitor to prepare all legal documents required for settlement of the Pennvest loan. The motion was seconded by Mr. Chelik. All Board Members voted unanimously to approve. Motion carried.

Mr. Matechak reported that at a previous meeting the Board had provided authorization to undertake an electricity supply auction. Our current four-year agreement will be expiring in February 2025. A reverse auction was conducted and a low price was received of 5.978 cents per kilowatt hour. This is an increase over our current fixed price of 4.575 cents per kilowatt hour.

Mr. Ruddy noted to the Board that if PP&L were our electric supplier, their cost would be four cents higher per kilowatt hour, or approximately \$300,000.00 more per year. The Authority benefitted by conducting the auction and obtained pricing at an opportune time. The market rates rose again today and are expected to trend higher. Mr. Matechak thanked Mr. Ruddy for his input and assistance during the auction process.

Mr. Matechak reviewed the Summary of Accounts

Mr. Ruddy made a motion to accept the Executive Director's Report. Mr. Chowanec seconded the motion. All Board Members voted unanimously to approve. Motion carried.

7. Reports from Committees: Nothing to report.

8. Old Business: Nothing to report.

9. New Business: Nothing to report.

10. Remarks from Citizens: Mr. Matechak introduced Tara Jones, the new Executive Director of the Lackawanna River Conservation Association, replacing Bernie McGurl. Ms. Jones expressed her appreciation to the Authority for their financial support, which allows LRCA to conduct its public outreach programs, community events and river clean-up programs.

Jeff Smith introduced himself as Vice-Chairman of the Pennsylvania chapter of the Sierra Club. Mr. Smith explained that they were doing water quality testing and received a letter from the Sewer Authority that they were not allowed to enter Authority property to collect samples. The Club's engineers felt it was best to come and see the Board and ask for permission to carry on with their water testing program. Mr. Smith stated that sampling has already been done at the PA American Water plant in Scranton. Mr. Smith asked the Board for permission to continue with their water testing at the Authority's outfall.

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Mr. Matechak advised that he was not aware of any letter that the Authority had sent stating that they could not perform testing. Mr. Davis added that there was a situation recently in which unidentified persons were observed on Authority property at our outfall that raised our attention. However, he also was not aware of any letter that had been sent by the Authority. Mr. Matechak said that the Authority has no objection to the testing but asked that they be provided notification when someone will be entering onto the Authority's property. Mr. Smith offered to share the results of any analyses that the Sierra Club conducts. Mr. Davis indicated that any LRBSA data could likewise be made available.

11. A Motion to Adjourn was made by Mr. Ruddy, seconded by Mr. Chowanec. All Board Members voted unanimously to approve. Motion carried.



Alexander Cheik, Assistant Secretary