

**MINUTES OF THE
EASTON AREA JOINT SEWER AUTHORITY BOARD
March 18, 2024**

- ❖ The regular monthly meeting of the Easton Area Joint Sewer Authority Board was held at 5:00 p.m. on Monday, March 18, 2024, at the EAJSA Administration Building, 50 South Delaware Drive, Easton, Pennsylvania 18042, with Zoom Meeting option. The meeting was open to the public.
- ❖ The meeting was called to order by Chairman, Mr. Robert Lammi. Mr. Lammi ordered the roll to be called at 5:01 p.m. Board Members were in-person and via video conference option. Board members present at the call to order were as follows:

#	Member	Municipality	Term Expires	Present	Absent	Time Entered
1	Robert Blanchfield Treasurer	Palmer Township	12/31/2025	X		*
2	Luis Campos	City of Easton	12/31/2025	X		*
3	James Frank	Forks Township	12/31/2024	X		*
4	David Hopkins Vice-Chairman	City of Easton	12/31/2028	X		*
5	Paul James	West Easton Borough	12/31/2024	X		*
6	Robert Lammi Chairman	Palmer Township	12/31/2024	X		*
7	Joseph Mauro Jr	City of Easton	12/31/2025	X		*
8	Stephen Riegel Secretary	Tatamy Borough	12/31/2024	X		*
9	John Van Arman	City of Easton	12/31/2024	X		*
10	Robert Werner	City of Easton	12/31/2025	X		5:06
11	Jeffrey Bracken	Wilson Borough	12/31/2024	X		*
12	VACANT	City of Easton	12/31/2023			

*Beginning of Meeting **Adjournment of Meeting

Members attending via Zoom Meeting could hear each other meeting attendees and be heard by each other attendee.

- ❖ **The following personnel were in attendance:**
Mike Gaul (King Spry law firm, Authority Solicitor), Jeff Morgan (SC Engineers, Authority Engineer), John Schimmel (Accountant), Chuck Wilson (City of Easton Operations Manager of WWTP), Alexandria Hoffman (City of Easton Assistant Operations Manager of WWTP, and Authority IPP Manager), Yuslendy Zorrilla (City of Easton Office Manager of WWTP, and Authority administrative assistant).
- ❖ **Agenda and any Amendment Approval:**
A motion was made by Mr. Hopkins and seconded by Mr. Campos, to approve the posted agenda without any amendments. **Motion Carried (10-0).** Mr. Werner was not present at the time of the vote.
- ❖ **Minutes Approval:**
A motion was made by Mr. James and seconded by Mr. Riegel to approve the minutes of the February 20, 2024, meeting, as presented. **Motion Carried (10-0).** Mr. Werner was not present at the time of the vote.

❖ **Courtesy of the floor:**

Ms. Hoffman confirmed that the Authority had not received any correspondence through phone, email, or mail for public comment at the meeting. No members of the public attended the meeting.

SOLICITOR'S REPORT

Attorney Gaul did not have a formal report but shared information regarding the United States Supreme Court's recent decision in a case involving a government official's use of a social media site and whether control or blocking of comments on the site may result in a violation of another individual's First Amendment rights. Attorney Gaul stated that the Pennsylvania Supreme Court was also reviewing a case where the issue was whether social media communication may constitute public records.

ACCOUNTANT'S REPORT

Mr. John Schimmel, EAJSA Accountant, reported he is working on the Audit and the rebates. Mr. Schimmel stated as soon as he transfers funds from Fulton Bank, rebates should go out in the next seven days.

Mr. Mauro made a motion, seconded by Mr. Van Arman, to approve the February 2024 bills for a total amount of \$50,824.65. **Motion Carried (11-0).** Mr. Werner entered the meeting prior to the motion and vote and participated in the vote.

Mr. Mauro made a motion, seconded by Mr. James, to approve the Bond Funds Requisition 24-C2024-02 in the amount of \$4,166.10 in accordance with the Authority Engineer's recommendation.

Motion Carried (11-0).

ENGINEERING COMMITTEE REPORT

Mr. Hopkins stated the Engineering Committee met on March 5, 2024. He stated that many items were discussed which included the Hazen and Sawyer proposal, cyber liability insurance, the methane gas system, the gear box work, and permits related to the Second Street Pump Station.

Mr. Morgan added to this report by requesting approval for one item, which is to revisit and update the FOG and Combined Heat and Power Project. This project was put on hold in 2021 as funding opportunities were being sought out.

As discussed at the last few meetings, the grant extension we have through the State is running out. There is only one extension remaining, after this one. Previously discussed was applying for another grant through EPA. At our last Board Meeting the Authority approved the Delta proposal for the application process of the grant.

Since Hazen has done work on this project, including work that was not part of the original scope of work, Mr. Morgan requested a supplemental proposal from Hazen for additional work and costs. The proposal was in the packet. The budget increase is \$45,145.80. Mr. Hopkins asked Mr. Morgan if he was comfortable with the price, to which Mr. Morgan answered, yes, he was.

Mr. Blanchfield made a motion, seconded by Mr. Van Arman, to approve WWTP FOG Receiving /Pre-Treatment Facility and Combined Heat and Power System-Approval of Proposal for Engineering Design Services Budget increase in the amount of \$45,145.80. **Engineer Memorandum #03-01. Motion Carried (11-0).**

Mr. Morgan added that before moving on to the second item on the agenda, he reported that he is currently working on the Chapter 94 report which is due March 31st. The information submitted by the Municipalities is

coming in slower this year, which could be due to staffing changes. The report is expected to be submitted by the deadline.

Mr. Morgan continued with the next item on the Agenda, the Jet-Vac Warranty Claim and possible action. Mr. Morgan stated he had nothing to report on this item.

At Solicitor Gaul's suggestion, the Board agreed by consensus that the Jet-Vac Warranty Claim agenda item would be deferred until after the Executive Session.

PRETREATMENT COMMITTEE REPORT

Mr. Mauro reported the last IPP meeting was held on March 7, 2024. Mr. Mauro had nothing else to report.

Ms. Hoffman had two items to report. At the IPP meeting members discussed in depth how Zinc has been elevated throughout the entire system. Almost every industry has a detectable result for Zinc, including those who are undetectable for all other parameters.

Ms. Hoffman added that the Water Authority confirmed that it is using Zinc Orthophosphate, which could be part of the reason behind these elevated Zinc levels throughout the system.

Mr. Hopkins asked if these elevated Zinc levels have happened in the past. Ms. Hoffman responded that it has been noticed in the past couple of years, but now it has been more noticeable. We have a couple of industries that have been above 1 ppm, which is not the norm. Ms. Hoffman introduced a drinking water study in which the Board members could voluntarily participate. Participating Board members would provide tap water samples from their homes, which are located throughout the system.

Mr. Hopkins asked Ms. Hoffman if she spoke to the Water Authority. She replied yes, but the Water Authority only tests for Phosphate and does not measure the Zinc level. This discussion, however, has prompted the Water Authority to start evaluating Zinc, using a Zinc probe. Ms. Hoffman stated that her interest and purpose of this study is to obtain drinking water to see where the level is as a general base line.

Mr. Morgan added that from the Pretreatment standpoint, the plant has Influent, Effluent, and Sludge goals from EPA that must be met. Mr. Morgan stated a few years back this was a hot topic because the Zinc results in sludge levels increased, and the goals were tighter due to the land application permit. It is not a big concern at this time because the sludge is going to the landfill, but it is important to investigate. Ms. Hoffman started finding goal exceedances in the sludge about three years ago. We do not have any goal exceedances at this time.

Next, Mrs. Hoffman asked for confirmation that only Board member Frank was requesting an Authority email address at this time. Mr. Lammi responded it is advisable rather than mandatory. Mr. Gaul stated that the use of Authority e-mail accounts would assist in preserving confidentiality and separating Authority business from personal business. He added that copying the EAJSA office e-mail account or another EAJSA e-mail account on your communications is advisable because it would provide a backup for retention of Authority public records.

Mr. Hopkins stated he had a conversation with the IT Manager, because it is very confusing how we manage IT, whether it is in the City or Authority. He asked if management could produce a policy as a guide as to who manages what. Mr. Hopkins added the City of Easton is currently providing laptops and cell phones as a communication method. Mr. Morgan stated he has a Cyber Security report provided by Solve IT, the Authority's IT consultant, which will be addressed at the next Engineering Committee Meeting.

Mr. Lammi commented that Palmer Township Board members were provided with an iPad for all communication purposes.

Mr. Gaul said that after seeing the Cyber Security Report it would be easier to see what security protection we have and determine what is needed. In addition, for the Authority to obtain Cyber insurance, the Authority is required to have multi-factor authentication.

Mr. Morgan stated that not everything in the Cyber Report will be needed for Authority business. Mr. Lammi stated this would be discussed at the next Board meeting.

FINANCE COMMITTEE REPORT

Mr. Blanchfield reported the completion of the 2022 Audit. Mr. Blanchfield stated that there were no negative comments in the Audit, only some things missing from the draft Audit.

Mr. Blanchfield had a letter from Mr. Lammi asking the auditors to have the 2023 Audit sooner to avoid the same delays we had this time around. Mr. Blanchfield stated it should be easier because now the learning curve between the new Auditors and the Authority has been established. There was discussion regarding the date the Authority was required to complete its audit under the Pennsylvania Municipality Authorities Act. Mr. Gaul clarified the date is 180 days after the end of the fiscal year, which would be June 28, 2024. Mr. Lammi stated the Authority should start submitting data to the Auditors now based on this submission calculation made by Mr. Gaul, so we do not fall behind.

Mr. Schimmel stated the Authority has to wait to obtain documentation and payments from the industries in the Industrial Pretreatment program. Mr. Morgan stated the 4th Quarter 2024 bills will go out in the next two weeks and should be received by the end of May, unless anyone is late.

Mr. Gaul suggested the letter for the Auditors should start off by presenting what the law states and what the Authority is asking based on that. There is a period of 180 days to submit the Audit.

Mr. Blanchfield thought the deadline to submit the Audit was September 1, 2024, so he thought of asking the Auditors when to provide them with our documents.

Mr. Morgan stated for the past twenty- five years it has been the norm between August and September.

Mr. Werner asked Mr. Schimmel if he asked the Auditor to make the changes suggested by Mr. Morgan and add them to the Appendix of the Audit. Mr. Schimmel answered yes to the question. Mr. Morgan stated every year we have to calculate the surcharge formula, and we would obtain from Mr. Fleming a breakdown of the 5.3-million-line item for sewage treatment expense. Mr. Morgan asked if that could be added to the Audit.

Mr. Lammi would be sending Mr. Hottenstein the final Audit for the Bond Issue.

Mr. Blanchfield reported changing the rating company to Moody's. There will be a meeting on March 26, 2024, to discuss what they have to offer. Mr. Lammi explained the reason for the change is because S&P wanted to see the Audit from the City, which is not ready. Mr. Hottenstein suggested switching companies.

A motion to accept the 2022 Audit was made by Mr. Blanchfield and seconded by Mr. Campos.

Motion Carried (11-0).

Mr. Gaul stated that the Authority was required to advertise a Concise Financial Statement. Mr. Schimmel stated that he has customarily taken care of that.

A motion for the advertisement was made by Mr. Werner and seconded by Mr. James for Mr. Schimmel to prepare and advertise an Authority Concise Financial Statement. **Motion carried (11-0).**

Mr. Lammi stated a copy of the 2022 Audit should be sent to all municipalities. Mr. Lammi asked if all members would need a copy of the audit report, or simply the member Municipalities. Mr. Schimmel confirmed in the past it used to be mailed to member Municipalities and also to the Fulton Trustee. Mr. Gaul added it should be filed with EMMA, as well as DCED.

Mr. Lammi and Mr. Gaul believed sending an electronic copy, instead of a hard copy, to all member municipalities would be sufficient. If a member municipality wanted a hard copy, they could ask for it. Mr. Schimmel will be in charge of sending these to all member municipalities.

There was a discussion about rebates and if they have been approved by the Board in the past. Mr. Morgan stated it has always been in the packet as an informational item only.

Mr. Schimmel calculated the rebate total to be \$873,926.04, two municipalities have a balance, West Easton Borough owing \$11,811.00 and Tatamy Borough owing \$ 13,841.00. All other municipalities will have money rebated. Mr. Schimmel will provide a copy of the 2022 Rebate Calculation after Audit to the Authority's Office Assistant.

Mr. Morgan explained 2022 was a unique year because the actual operational portion of the budget is based on water use that was two years old. Due to the pandemic municipalities decided to use 2019 data. When 2022 budget was done the data used was 2019-2020. For example, the 2024 budget will be based on the 2022 flow data which is closer to normal.

INSURANCE REVIEW COMMITTEE REPORT

Mr. Lammi stated two quotes for Cyber Insurance were provided. One for Travelers, in the amount of \$4,407.00 and ASI Cyber Insurance, which was recommended by Solve IT, in the amount of \$5,550.00. Mr. Lammi feels Travelers is the way to go because its quote was provided through a broker with which the Authority and City of Easton have worked in the past and is well known in the insurance industry. Travelers also provided comprehensive information regarding its policy. Mr. Lammi asked for a motion.

Mr. Hopkins made a motion to go with Travelers Cyber Insurance, seconded by Mr. James.

Motion Carried (10-1). Mr. Werner voted no to this motion.

Mr. Morgan had one item to present under this committee report. The grant has new bonding requirements, as far as check signatories. This can be waived if the Authority has insurance against criminal activities. Mr. Morgan asked for an Insurance Committee meeting to discuss how to manage this situation. He will share documents and emails with the Committee members.

Mr. Gaul stated that that type of insurance or bonding is something the Authority should have regardless of this grant.

Mr. Morgan stated the grant agency is asking for a bond for the full project cost amount.

Mr. Lammi asked Mr. Schimmel if Penn Prime insurance covers the Board Members and Officers regarding criminal activity coverage. Mr. Schimmel would provide a copy to the Authority's Office Assistant. Mr. Lammi agreed to investigate further if this type of coverage was already being provided.

OPERATIONS REPORT

Mr. Wilson reported the plant is running well. Nothing further to report at this time.

ADDITIONAL REPORT

❖ **Old Business:** None

❖ **New Business:** None

The meeting was moved to Executive Session to discuss legal matters with the Solicitor by a motion from Mr. Hopkins, and seconded by Mr. Riegel, and unanimously carried, at 6:11 pm.

The Meeting returned to Public Session at 6:27 pm

Executive Session was held to discuss legal matters. No decisions were made, and no action was taken.

The meeting was adjourned on a motion by Mr. Riegel and seconded by Mr. Campos, and unanimously carried, at 6:28 PM.

Respectfully submitted,

Yuslenny Zorrilla
EAJSA Board Recording Secretary