

**LUZERNE CONSERVATION DISTRICT  
BOARD OF DIRECTORS  
325 SMITHS POND ROAD, SHAVERTOWN, PA 18708  
December 17, 2020**

Item 2

**REGULAR MEETING MINUTES**

Timothy Ference, Chairman, called the meeting of the Luzerne Conservation District Board of Directors to order at 6:04 PM, noting that the meeting was being held via video/phone conference and that it was being recorded.

Ference noted that Ray Knaub and Brian McManus were also on the conference call via video.

**ROLL CALL - BOARD MEMBERS:**

Timothy Ference	Chairman	Present via phone
John J. Wilkes, Jr.	Vice-Chairman	Present via video
Tracey Chonko	Secretary/Treasurer	Absent
Leonard J. Burger, Jr.	Member	Present via phone
Walter Griffith	Member	Present via video
John P. Hanish, Jr.	Member	Present via video
Gary A. Moyer, Sr.	Member	Excused

**DISTRICT EMPLOYEES:**

Hunter Bednarczyk, Conservation Specialist (E&S/NPDES Program)	written report submitted
Heather Graham, E&S/NPDES Program Coordinator	written report submitted
Deborah Josuweit, Office Administrator	Present via video/written report submitted
Jennifer Lauri, Ag Conservation Specialist	written report submitted
John Levitsky, Watershed Specialist	written report submitted
Joshua Longmore, Executive Director	Present via video/written report submitted
Michael Schlauch, Conservation Specialist (Ag & Roads Programs)	written report submitted

**AGENCY REPRESENTATIVES:**

Andrew Kears	NRCS	Present via phone
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**ORDER OF BUSINESS**

(\*\*Denotes motion or action taken by the district board)

**PUBLIC COMMENT:** None

**MINUTES:** Submitted by Josuweit.

**\*\*Motion by Griffith, seconded by Hanish to approve the November 19, 2020 meeting minutes as submitted. The motion carried unanimously.**

**FINANCIAL REPORTS:** Submitted by Josuweit.

**\*\*Ference ordered the Financial Reports to be filed for audit.**

**ACTION ITEMS:**

**2019 Audit Presentation**

Ray Knaub, CPA, of Ray Knaub & Company P.C., thanked the board for the opportunity to work with the district in preparing the 2019 audit. He presented the audit to the board and reviewed his findings with no significant issues noted. The report will be on file at the district office for review, and a copy must be submitted to the State Conservation Commission (SCC) no later than December 31, 2020. Griffith asked Knaub if the State Auditor General reviews the district's audit. Knaub explained that the audit is provided to the SCC for review, but the Auditor General's office doesn't normally review district audits.

**\*\*Motion by Griffith, seconded by Burger to accept and approve payment for the 2019 audit as presented by Ray Knaub, CPA. The motion carried unanimously.**

Knaub presented to the board a proposed engagement agreement for the 2020 audit, which includes an increase of \$200 over the fee for the 2019 audit. He then left the meeting.

Griffith asked how long Knaub has done the audits for the district. Longmore noted he has been the district's auditor since the SCC has required district audits – for nearly 20 years. Griffith questioned whether the board has considered changing auditors, noting that some organizations do so every few years. Ference stated that the board has considered it in the past and has had Longmore request quotes from other companies. Those instances have confirmed that Ray Knaub & Co.'s fee is appropriate, and the district has been pleased with Knaub's professional service. Ference noted that Knaub is recognized by the SCC and DEP as having expertise in district audits. Longmore pointed out that the audit is submitted to the SCC and reviewed by DEP staff each year, and no issues or concerns have been conveyed by the agencies.

**\*\*Motion by Wilkes, seconded by Hanish to enter into an engagement agreement with Ray Knaub & Co. to perform the 2020 audit for a cost of \$7,400. The motion carried unanimously.**

Longmore noted that Mark Rabo joined the meeting at 6:27 PM. Ference stated that Mr. Rabo would be welcomed to provide public comment near the end of the meeting.

Ference noted a change in the agenda to allow Kearsse to provide his cooperating agency report so he could attend Carbon Conservation District's board meeting too. Kearsse provided a written report and a verbal report via phone.

### **2021 District Budget**

Ference referenced Item 3b, the draft budget, provided in the board packet. Longmore noted that this final draft of the 2021 budget has only a few minor changes from the draft he presented at the last board meeting to address late information on final line-item amounts. Besides what is shown on the draft that was provided, he noted a small change on the expense side with the board's approval of the 2020 Audit engagement agreement with Knaub & Co. The bottom line will remain the same.

**\*\*Motion by Griffith, seconded by Wilkes to approve the 2021 District Budget as presented. The motion carried unanimously.**

### **2021 Board Meeting Schedule**

Ference noted that the board meetings are held on the third Thursday of each month at 6:00 PM. He asked the board if they would like to continue with this schedule in the new year or make a change. A brief discussion was held.

**\*\*Motion by Wilkes, seconded by Burger to continue with the current schedule for 2021. The motion carried unanimously.**

### **Contracting for Conyngham Ag BMP Project**

Ference referenced Item 3d, the list of bids received, in the board packet. Longmore explained that the bids were much higher than the engineer's estimate, and the grant funds available (approximately \$66,000) would not be enough to complete the project. His recommendation was to reject the bids and have Lauri talk with the bidders and the engineer to better understand the discrepancy between the bids and the estimate. Perhaps other options can be considered to continue with the project later.

**\*\*Motion by Hanish, seconded by Wilkes to reject the bids for the Conyngham Ag BMP Project due to lack of available funding. The motion carried unanimously.**

### **CenterPoint Development E&S Fee Proposal**

Longmore explained that Mericle Corporation representatives recently contacted him to discuss their analysis of fees the company has paid the district over the 15 years it has been developing the multi-phase CenterPoint Commercial/Industrial Development in Jenkins and Pittston Township. In the initial permitting of the project in 2005, Mericle proposed a modified approach to paying E&S plan review fees in order to develop the project in an unconventional manner. Under that mutually agreed up approach, Mericle paid larger fees upfront for each of the six permits for the development and smaller, pro-rated fees as they submitted permit amendments when lots were sold or leased.

Staff from Mericle Corporation recently questioned the small fees that the company still pays for reviews and discussed it with Mr. Mericle. Mr. Mericle indicated he didn't feel the modified fee arrangement has been fair to

the district, and he proposed making a large payment of over \$155,000 to the district to cover the difference between the fees paid under the arrangement and the amount that would have been due under the district's regular fee schedule dating back to the beginning of the development.

Ference reported that the district board's Executive Committee discussed the offer, and although the original fee arrangement was a departure from the regular fee schedule, committee members felt it was considered a fair approach when the original permits applications were submitted. In recent years, the fees haven't been covering the district's costs on the projects, but the approach was originally negotiated and agreed upon by both parties appropriately. Therefore, the committee suggested that it would be best to decline the offer of back payment but correct the situation going forward by applying the regular fee schedule to any future CenterPoint permit amendments.

Longmore presented another option for the board's consideration. He calculated how much would have been paid if the regular fee schedule would have been followed (i.e. 10% of the total original fee) after each of the original 5-year permit terms expired. In that case, Mericle would've paid an additional \$51,044.68 above what was actually paid for amendments after the permits renewed.

Bryan McManus, Vice President of Mericle, provided some additional information on CenterPoint and the company's offer. Wilkes asked how many areas are left for development in CenterPoint. McManus stated that, except for the CenterPoint South phase which has not been started, most of the other CenterPoint phases are almost fully developed. After further discussion and no other questions asked of Mr. McManus, he offered to leave the meeting and did so at 7:21 PM.

The board continued with the discussion, and the consensus of the board was to accept the Executive Committee's suggestion. Longmore called McManus to rejoin the meeting so he could be present for the board's decision.

**\*\*Motion by Wilkes, seconded by Hanish to decline the offer from Mericle of back payment of permitting fees but to apply the district's regular fee schedule to any future CenterPoint permit amendments. The motion carried unanimously.**

Ference and Longmore expressed the district's appreciation for Mericle's willingness to review this issue and for the generous offer to make retroactive fee payments. McManus thanked the board for their time and consideration on this issue, and he then excused himself from the meeting.

## **Additional Items**

### **Countywide Action Plan**

Longmore provided an update on the Countywide Action Plan (CAP) process. He reported that the county has agreed on the district being the local point of contact for the Luzerne County CAP. He also reported on recent conference calls with representatives from DEP, SCC, and the Lackawanna and Susquehanna County Conservation Districts. As a result of those calls, plans were decided upon for moving forward with the shared CAP Coordinator grant application. Lackawanna CD submitted the application on behalf of the three counties. Also, county council formally appointed Griffith as their representative on the CAP steering committee, and Matt Jones from the county Planning & Zoning Department has been designated as the administration's representative on the committee. Longmore explained the importance of including many local stakeholders in developing the county CAP to ensure that the plan focus on voluntary efforts to improve local water quality and that it highlights important local issues, such as abandoned mine drainage. Burger asked if the EPA would be supportive of this local approach. Longmore indicated that DEP has gotten EPA's approval to include CAPs in the statewide Watershed Implementation Plan. Griffith requested that future correspondence on the Luzerne County CAP effort be sent to all county council members, so they are aware of the situation.

Ference noted the staff reports were included in the board packets.

### **COOPERATING AGENCY REPORTS:**

DEP – Written report included in the board packet.

PACD – Ference noted a written report was included in the board packet.

**CORRESPONDENCE & ANNOUNCEMENTS:**

- January LCD Board of Directors Meeting – 1/21/2021 at 6 PM
- PACD Executive Council Video Conference – 1/28/2021

Ference recognized Mark Rabo for public comment.

Mr. Rabo conveyed his concerns about Chesapeake Bay funding and MS4 mandates. He has attended numerous meetings dealing with these issues and would like to see more federal funding for addressing issues like acid mine drainage. He offered to email a link from the November Chesapeake Bay Commission meeting for Longmore and the board members to review. Longmore thanked Mr. Rabo and stated he will forward the link to board members for their review.

**EXECUTIVE SESSION:**

The board entered into executive session to discuss personnel issues at 7:59 PM.

**RETURNED TO REGULAR SESSION:**

The board returned to the regular meeting at 8:11 PM.

**\*\*Motion by Hanish, seconded by Wilkes to approve bonuses in the total amount of \$6,600, as discussed in the executive session, for district staff members in recognition of outstanding work. Roll call vote: Wilkes – yes, Burger – yes, Griffith – no, Hanish – yes, Ference – yes. Motion carried.**

**\*\*Motion by Wilkes, seconded by Griffith to adjourn the meeting. The motion carried unanimously.**

The meeting adjourned at 8:15 PM.

*The recording feature of the video conferencing software malfunctioned, causing the meeting not to be recorded as originally intended.*

*Respectfully submitted by: Deborah Josuweit, Office Administrator*

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*Approved by action of the Luzerne Conservation District Board of Directors on January 21, 2021*

  
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*Chair or Vice Chair*

  
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*Treasurer/Secretary*