

## **REGULAR MEETING MINUTES**

### **January 14, 2019**

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The Regular Meeting of the Lehigh County Authority was called to order at 12:00 p.m. on Monday, January 14, 2019, Chairman Brian Nagle presiding. Other Members present at the commencement of the meeting were: Linda Rosenfeld, Jeff Morgan, Richard Bohner, and Norma Cusick. Ted Lyons and Deana Zosky were on the phone for the duration of the meeting. Authority Staff present were Liesel Gross, Brad Landon, Charles Volk, Ed Klein, Pat Mandes, John Parsons, Chris Moughan, Susan Sampson and Lisa Miller.

#### **REVIEW OF AGENDA**

Chairman Nagle announced that today's Board meeting is being videotaped and streaming live and recordings will be posted to the Authority's website.

Liesel Gross noted an addition to the agenda. Under Finance & Administration, a land acquisition agreement is requested for staff authorization which Brad Landon will discuss in more detail. Also there will be an Executive Session regarding potential litigation at the end of the regular meeting. Chairman Nagle noted there will also be a personnel issue for discussion under Executive Session.

Scott Bieber entered the meeting at 12:02 p.m.

#### **APPROVAL OF MINUTES**

##### ***December 10, 2018 Regular Meeting Minutes***

On a motion by Richard Bohner, seconded by Linda Rosenfeld, the Board approved the Minutes of December 10, 2018 meeting as written (8-0).

#### **PUBLIC COMMENTS**

None.

#### **ACTION AND DISCUSSION ITEMS**

##### ***Land Acquisition Agreement***

Brad Landon explained that the previous action of condemnation of a portion of the parcel of land owned by Louise Kern in Upper Milford Township for the Upper Milford-Central Lehigh Division water system interconnection project is no longer needed due to negotiations with the owner having resulted in agreement for the Authority to purchase the uneconomic remnant portion of the parcel directly from the owner. A portion of Mrs. Kern's property is being acquired and her home torn down by Penn DOT for the Rte. 29 Bridge replacement project and the remainder is considered the uneconomic remnant by PennDOT. Mr. Landon asked the Board for approval of the acquisition and authorization for the Staff to finalize negotiations and execute any necessary agreements to purchase the property. The property will be purchased at fair market value and acquisition could be completed within a month.

On a motion by Linda Rosenfeld, seconded by Norma Cusick, the Board approved the land acquisition authorizing the Staff to finalize negotiations and execute any necessary acquisition documents or agreements (8-0).

**Real Property Transaction - Resolution No. 1-2019-1**

Liesel Gross explained the background of the land exchange between the Authority and Landston Equities, LLC and presented a map for visual clarification. The Authority and Landston would like to exchange their adjacent properties adjoining the Authority's wastewater pretreatment plant in Upper Macungie Township since each property is more beneficial to the other owner and have been appraised at similar values. She noted the Board previously authorized staff to pursue this land exchange at its October 23, 2017 meeting, and the resolution requested is to formalize the terms of the exchange which the Board had approved at that time. Some discussion followed.

On a motion by Linda Rosenfeld, seconded by Norma Cusick, the Board approved Resolution No. 1-2019-1 authorizing the exchange of parcels of land adjoining the wastewater pretreatment plant property in Upper Macungie Township (8-0).

Kevin Baker entered the meeting at 12:17 p.m.

**LCA 2020 Action Plan & Update**

Liesel Gross reviewed the memorandum regarding the LCA 2020 Strategic goals and 3-year action plan. LCA developed the goal-setting strategy using American Water Works Association's Effective Utility Management framework to establish its goals: Product Quality, Financial Viability, Infrastructure Stability, and Employee and Leadership Development. She reviewed the details of the 2018 Action Plan – Year End Status Report and the LCA 2020 Action Plan for 2019-2020 handouts that were provided to the Board in advance of the meeting. The four main goals that are critical elements of the LCA 2020 Action plan are resolution to the outstanding legal and financial matters related to the Allentown Water/Sewer Lease, elimination of sanitary sewer overflows (SSOs) and addressing long-term sewage capacity needs for our region, organization-wide focus on consistent asset management and preventive maintenance strategies to ensure system sustainability, and dedicated efforts to develop and maintain a highly engaged and skilled workforce.

Ed Klein reviewed the status of a few Financial Viability goals that were challenging in 2018 due to the schedule and scope changes to implement the Adaptive Insights software, revised forecasting tools, and improving internal accounting processes. Liesel Gross noted that a key highlight is the forecasting and financing plan for capital expenses which will be rolled out with the capital plan later in January.

The LCA 2020 Strategic Goals & 3-year Action plan document shows a new list of goals and also the carryover goal items from 2018. The most significant goals under Product Quality are to eliminate the SSOs by completing the Western Lehigh Interceptor emergency rehabilitation program and completing the system flow metering and modeling to support additional capacity planning. The top goal for Financial Viability is to address the City Division financial sustainability whether through monthly billing, lease restructuring, debt restructuring, capex financing and other available means. Under Infrastructure Stability, the Asset Management program and Preventative Maintenance key projects will be completed in 2019. Employee and Leadership Development will focus on developing a training tracking program and also implementing a "stay interview" technique.

Kevin Baker suggested adding customer outreach and stakeholder engagement to the goals in the future. Ms. Gross agreed, adding that customer outreach along with resiliency, both locally and globally, will be looked at in the future as the goal-setting process evolves.

**USEPA Administrative Order – Sanitary Sewer Overflows – Update**

Liesel Gross presented a PowerPoint presentation regarding an update on the Western Lehigh sewer service area and EPA Administrative Order to eliminate sanitary sewer overflows. When comparing LCA's water and sewer usage, the sewer flows trend with metered water sales, showing growth in LCA service area is driving higher flows. Currently, LCA has adequate treatment capacity available for growth. There was some discussion on how treatment allocation is distributed to each municipality and to new customers.

Ms. Gross reviewed efforts to remove wet-weather inflow and infiltration (I&I) within Authority-owned facilities. She highlighted that the Authority's regional interceptors make up 31 miles of the system, while the remaining municipalities, including the City of Allentown, own and operate nearly 600 additional miles of sewer collection systems and interceptors. A collaborative approach among all the parties is required to address the wet-weather issues on a regional basis. Some discussion followed regarding key components on the plans such as addressing leakage in private sewer laterals and basement inspections.

Ms. Gross explained that EPA has not yet responded to the August 2018 Regional Flow Management Strategy (RFMS) submission by the municipalities. The Authority has met with the Pennsylvania Department of Environmental Protection (DEP) twice since that time to review challenges specific to the Western Lehigh sewer service area. On December 26, 2018, the Authority and City of Allentown received a letter from DEP with a detailed set of requests requiring a joint response by March 29, 2019. DEP is looking for information regarding timing and approach for flow monitoring and system characterization, individual municipal I&I reduction programs, individual municipal maintenance programs, hydraulic and treatment capacity constraints, and how growth will be addressed.

**MONTHLY PROJECT UPDATES / INFORMATION ITEMS**

Liesel Gross reviewed the January 2019 project update report that was sent out with the Board packet and highlighted some items for discussion coming up at the January 28 2019 meeting and also for February 11, 2019, as noted in the report.

**STAFF COMMENTS**

None.

**SOLICITOR'S COMMENTS**

None.

**PUBLIC COMMENTS / OTHER COMMENTS**

None.

Chairman Nagle called a recess at 1:28 p.m. The meeting reconvened at 1:38 p.m.

**EXECUTIVE SESSION**

An Executive Session was held at 1:38 p.m. to discuss potential litigation and a personnel issue.

The Executive Session ended at 2:35 p.m.

**ADJOURNMENT**

There being no further business, the Chairman adjourned the meeting at 2:35 p.m.

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Richard H. Bohner  
Secretary