

WORKSHOP MEETING MINUTES

June 4, 2012

The Workshop Meeting of the Lehigh County Authority was called to order at 12:17 p.m., on Monday, June 4, 2012, Chairman Asa Hughes presiding. Other Members present at the commencement of the meeting were: Thomas Muller, Richard Bohner, Brian Nagle, Norma Cusick, and Scott Bieber. Authority Staff present were: Aurel Arndt, Doug Young, Bradford Landon, Frank Leist, Patricia Mandes, Joseph McMahan, Liesel Adam, and Cristin Garger.

Agenda Review

Mr. Arndt stated there were two additional items to be addressed after the regular agenda items. He also noted that an Executive Session will be needed after the regular agenda to address personnel matters.

2012 1st Quarter Unaudited Financial Statements (Statements) (Acceptance)

Mr. Young explained the statements indicate Authority financials are stable and show lower usage for the first quarter, per usual. He noted that revenues are slightly higher because the 2011 water rate increase has been in effect for a full year. Mr. Young also noted that City of Allentown costs are estimated because the Authority has yet to receive a bill for 2012.

On a motion from Mr. Bohner, seconded by Mr. Muller, the Board unanimously accepted the 2012 1st Quarter Unaudited Financial Statements (6-0).

2011 Risk Management (RM) Annual Report (Acceptance)

Mr. Young noted that while insurance coverage and costs remain fairly flat, property insurance costs went up slightly because of new wells and other system acquisitions. He also stated that worker's compensation costs decreased about 20% because of low claims history.

Mr. Nagle inquired about risk control.

Mr. Young noted that site and equipment inspections are performed routinely as part of that program.

Mr. Arndt stated that a more comprehensive asset management program is in development as part of Risk Management.

On a motion from Ms. Cusick, seconded by Mr. Muller, the board unanimously accepted the 2011 Risk Management Annual Report (6-0).

SCADA Communication Design (Approval)

Mr. McMahan explained that with changing communication channels and technology, changing FCC licensing, loss of line-of-sight radio communications and a geographically expanding LCA territory, LCA pursued a review of the existing communications for mission critical operations. He explained TuWay Communications performed a high level SCADA Communication Study in 2011, which included an existing system assessment and future needs analysis, a computer model analysis of RF (radio frequency) line-of-sight for RF transmission of SCADA data, and a list of recommendations. Mr. McMahan stated approval is needed to perform the detailed engineering, including site visits, final path

profiles, and generation of equipment lists, determination of equipment and antenna installation locations, and cabling requirement to implement the RF SCADA recommendations contained in the February 2012 report.

On a motion from Mr. Nagle, seconded by Mr. Bieber, the Board unanimously approved the Capital Project Authorization for SCADA Communication Design in the amount of \$177,700 (6-0).

GIS Mobile Application Amendment (Approval)

Mr. Leist explained in February of 2011, the Board approved the Capital Project Authorization (CPA) for the GIS mobile application project which included an update to the existing GIS Needs Assessment and required the consultant to provide recommendations on hardware and software for a mobile application. It was originally envisioned, prior to the start of the project, that internet enabled hardware such as laptops would be used and the project costs for hardware and software were based on this assumption. He explained that the consultant provided various options and costs for field hardware including larger units like Toughbooks and laptops, as well as handheld devices such as tablets and smart phones because technology is constantly changing and becoming less expensive. The Operations department evaluated the benefits of switching their cell phone technology for all operational personnel from basic "phone call" capabilities to Android-based smart phones that also provide email, internet access, the ability to run applications such as web-based mapping, and much more. It was determined that upgrading to Android based smart phones provided, among other benefits, added value to the GIS mobile project and a platform for future applications accessible at any time from the field. Mr. Leist stated that 25 new phones were purchased in March for \$6,250 and this amount was allocated to the GIS mobile project. He stated that in order to deploy web-based mapping to both Android devices and other non-Android internet enabled hardware such as laptops, two individual ArcGIS Server web mapping sites need to be developed – one on an Android platform for the smart phones and one on a Microsoft Silverlight platform for the laptops. Total project costs will not increase because of equipment cost savings that were realized with the purchase of the Android based smart phones. An amendment to the Professional Services Authorization for Wendel Duchscherer was requested for the development of the Silverlight platform.

On a motion from Mr. Muller, seconded by Mr. Nagle, the Board unanimously approved Professional Services Authorization Amendment No. 1 in the amount of \$18,300 for Wendel Duchscherer for the Mobile GIS Application Development Project (6-0).

Little Lehigh Relief Interceptor (LLRI) Pipe Condition Assessment (Approval)

Ms. Mandes explained that the Physical Condition Assessment (PCA) Program began in 2004. The purpose of the Program is to inspect the Western Lehigh Interceptor (WLI) pipe and assess the extent of the defects in order to reduce infiltration and extend the life of the pipe. The Program consists of in-pipe CCTV inspection utilizing Pipeline Assessment Certification Program (PACP) ratings and a review of the inspection records by Malcolm Pirnie. She stated that approximately 120,000 linear feet (LF) of the inspection of the WLI has been authorized out of the 140,000 LF total. In 2011 and early 2012, the Board approved PCAs for 45,000 LF of the WLI. The LCA staff provided the in-pipe CCTV inspection and has completed the CCTV work, and Malcolm Pirnie is providing the assessment and follow-up. A Professional Services Authorization is needed for Malcolm Pirnie in the amount of \$99,000 for the assessment of 20,000 LF of the LLRI from Keck's Bridge to Park Pump Station, which is the last section of the interceptor pipe to be assessed. In addition to the pipe assessment and report, Malcolm Pirnie is also providing the CCTV inspections for this section of the WLI instead of Authority staff because of sizing of the pipe is larger which requires a different camera head, extensive manpower and other Signatory CCTV commitments.

On a motion from Mr. Bieber, seconded by Ms. Cusick, the Board unanimously approved the Professional Services Authorization for Malcolm Pirnie in the amount of \$99,000 (6-0).

Single Audit Report

Mr. Young explained that because the Authority received more than \$500,000 in federal funds during 2011, a single audit needed to be conducted by auditors for all the projects which received these funds. He stated that projects included within the separate audit were the Vera Cruz Sanitary Sewer System, the Flow Equalization Basin, and the Water Meter Upgrade. Mr. Young noted one deficiency was reported where the Authority received more reimbursement than expenses incurred; a request for reimbursement submitted in 2012 was reduced to correct the deficiency. He also stated that the Authority is in the process of another single audit being done retroactively for 2010. Some discussion followed.

OTHER ITEMS

Resolution 6-2012-1

Mr. Landon requested action on a resolution declaring the official intent of the Authority to reimburse funds used to pay the Western Weisenberg Wastewater Treatment Plant Project costs from project financing proceeds the Authority may receive from the Pennsylvania Infrastructure Investment Authority (PennVEST) or other financings. Settlement is presently scheduled on this PennVEST loan for 26 July 2012 so there will be a series of documents before the Board in this regard during the next few meetings.

On a motion from Mr. Muller, seconded by Mr. Nagle, the Board unanimously adopted Resolution 6-2012-1 (6-0).

EXECUTIVE SESSION

The Chairman called for an Executive Session at 1:08 p.m. in regard to employment matters. All Staff members were excused from the meeting with the exception of Mr. Arndt. The Session ended at 3:20 p.m.

Budget Amendment

Mr. Arndt distributed a proposed Budget Amendment regarding funding supplemental work on the Little Lehigh water quality monitoring study.

On a motion from Mr. Bohner, seconded by Mr. Muller, the Board unanimously approved the 2012 Budget Amendment in the amount of \$5,000 for the Little Lehigh Water Monitoring Study (6-0)

There being no further business, the Chairman adjourned the meeting at 3:30 p.m.

Richard H. Bohner
Secretary