

WORKSHOP MEETING MINUTES
October 8, 2012

The Workshop Meeting of the Lehigh County Authority was called to order at 12:28 p.m., on Monday, October 8, 2012, Chairman Asa Hughes presiding. Other Members present at the commencement of the meeting were: Thomas Muller, Richard Bohner, Brian Nagle, Emrich Stellar, Norma Cusick, and Scott Bieber. Authority Staff present were: Aurel Arndt, Bradford Landon, Doug Young, Patricia Mandes, Joseph McMahon, Liesel Adam, Ed Bielarski, and Cristin Garger.

Agenda Review

Mr. Arndt stated there were three additional items to be handled after the regular agenda, an Action item, an Information item, and one item to be handled in Executive Session.

APPROVAL OF MINUTES

September 10, 2012 Workshop Meeting Minutes

On a motion by Ms. Cusick, seconded by Mr. Stellar, the Board unanimously approved the minutes of the September 10, 2012 Workshop Meeting (6-0). Mr. Bohner abstained due to his absence at the subject meeting.

September 24, 2012 Regular Meeting Minutes

On a motion by Mr. Muller, seconded by Mr. Cusick, the Board unanimously approved the minutes of the September 24, 2012 Regular Meeting as amended (5-0). Messrs. Bohner and Stellar abstained due to their absence at the subject meeting.

Industrial Wastewater Rules & Regulations (Approval)

Mr. Landon explained in the late 1980's, the U.S. Environmental Protection Agency (EPA) promulgated new requirements for rules and regulations controlling discharges from industrial wastewater users. Initially, the Authority passed its own Industrial Waste Rules and Regulations, dated September 1987, but with consistent regular changes and updates, decided to change its approach and instead reference the then-current version of the City of Allentown (COA) industrial wastewater ordinance in the Authority's Rules & Regulations for Sewerage Service so that there would be an automatic application to Authority customers when the COA changes its ordinance rather than requiring action by the Authority each time. He stated that the COA changed its industrial wastewater ordinance and EPA recently requested documentation of this approach; during this process it became apparent that the 1987 Authority Industrial Waste Rules and Regulations were still in force and there were some inaccuracies in the language of the Authority's Rules & Regulations for Sewerage Service in this regard that need correction. Mr. Landon recommended the Board take action rescinding the September 1987 Industrial Waste Rules and Regulations, ratifying all Authority actions taken during the interim in regard to the industrial wastewater program and further that the Board take action approving a revised Rules & Regulations for Sewerage Service as stated on the Workshop Agenda. Some discussion followed.

On a motion by Mr. Bieber, seconded by Ms. Cusick, the Board unanimously rescinded the September 1987 Industrial Waste Rules and Regulations while ratifying all Authority actions taken during the interim in regard to the industrial wastewater program and approved revised Rules & Regulations for Sewerage Service (7-0).

2013-2022 Capital Plan (Approval)

Mr. Arndt explained that 2013-2022 Capital Plan was reviewed at the September 24, 2012 Regular Meeting. He noted that Lehigh Valley Planning Commission reviewed and commented on the Plan at their September 27th meeting and the Lehigh County Commissioners are not going to comment on the Authority Capital Plan this year, owing to insufficient time to review the Plan during October. Anticipating no additional comments, Board approval of the Plan was requested.

On a motion from Mr. Muller, seconded by Mr. Bohner, the Board unanimously approved the 2013-2022 Capital Plan (7-0).

2013 Budget Assumptions (Discussion)

Mr. Arndt noted that *Personnel* assumptions could change because a Capital Works employee announced their retirement at the end of 2012, after the assumptions were finalized.

Mr. Young briefly reviewed the assumptions, noting that salary assumptions might change due to the unionization of the Operations Department. He also noted that benefit costs might change because of the bargaining unit as well. Some discussion followed.

Mr. Nagle inquired as to why there is not a Human Resources (HR) item in the assumptions due to the increasing HR responsibilities regarding the unionization, increased need for training and succession planning.

Mr. Arndt stated that Knowledge Management/Knowledge Sharing has been a significant focus because of potential retirements, but no formal HR needs have been evaluated.

Ms. Adam stated that the Authority's Workforce Plan does call out the need for a Human Resources Administrator.

Western Weisenberg Wastewater Treatment Plant (Approval)

Mr. Arndt explained that because of some complications with PennVEST funding, the contracts for this project have not been finalized. The lapse date for the plumbing and mechanical contracts was October 1, 2012, and unlike the other two bidders the plumbing and mechanical bidder declined to extend the lapse date; therefore, this contract must be rebid. He asked that the Board rescind the Dual-Temp contract award and allow for the rebidding of the plumbing and mechanical contracts.

Mr. Landon added that the existing contracts must also have a condition removed. Originally, the Board took action at its June 18, 2012 meeting awarding Contract No. 1 to JEV Construction, LLC in the amount of \$2,074,500; Contract No. 2 to J. Hayden, Inc. in the amount of \$349,000; and Contract No. 3 to Dual Temp Co., Inc. in the amount of \$95,450, all contingent upon; (1) execution of the cost sharing agreement between Hillwood Associates and LCA; (2) settlement of the PennVEST loan; (3) receipt of required bonds, insurance and other required documentation from the aforementioned contractors. In addition to rescinding this award to Dual Temp Co., the staff has also requested the Board to remove condition (2) settlement of the PennVEST loan from the JEV Construction, LLC and J. Hayden, Inc. contract awards since settlement on the PennVEST loan will not occur until after notice to proceed is given to these two contractors.

On a motion from Mr. Muller, seconded by Mr. Bohner, the Board unanimously agreed to rescind the Dual-Temp contract and rebid the plumbing and mechanical contracts for the Western Weisenberg Treatment Plan and to remove the "settlement of the PennVEST loan" condition from the JEV Construction, LLC and J. Hayden, Inc. contract awards (7-0).

Proposed Wastewater Rates

Ms. Mandes noted that she had finished calculating the Western Lehigh Interceptor (WLI) Wastewater Rates for 2013 and they will be presented to the WLI signatories tomorrow for review and approval. She stated there is a 1.2% increase from 2012 rates proposed. These rates will then be approved by the Authority Board as part of the 2013 Budget in December.

Executive Session

The Chairman called for an Executive Session at 1:51 p.m. to discuss personnel.

The session ended at 2:35 p.m.

There being no further business, the Chairman adjourned the meeting at 2:38 p.m.

Richard H. Bohner
Secretary