

## **REGULAR MEETING MINUTES**

### **March 8, 2021**

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The Regular Meeting of the Lehigh County Authority Board of Directors was called to order at 12:02 p.m. on Monday, March 8, 2021, Chairman Brian Nagle presiding. The meeting was held via video and audio advanced communication technology ("ACT"), using the Zoom internet application including telephone option, due to the COVID-19 pandemic emergency. Each Board member and other attendees of the meeting were able to hear each other attendee and be heard by each other attendee. The public could also participate in the meeting via ACT, using the Zoom internet application including telephone option. A Roll Call of Board members present was taken. Chairman Brian Nagle, Richard Bohner, Norma Cusick, Ted Lyons, Kevin Baker, Linda Rosenfeld, Jeff Morgan, and Amir Famili were present for the duration of the meeting.

Solicitor Michael Gaul of KingSpry was present along with Authority Staff, Liesel Gross, Ed Klein, John Parsons, Chris Moughan, Chuck Volk, Susan Sampson, Andrew Moore, Phil DePoe, Mark Bowen, Lisa Miller, and Todd Marion.

Chairman Nagle stated that the Board received their electronic copy of the Board packet in advance and asked if anyone did not receive their hard copy of the packet. All Board members indicated they had received their packet by mail.

#### **REVIEW OF AGENDA**

Liesel Gross stated there are no changes to the agenda and noted that the January Financial report will be presented at today's meeting and the February Financial report will be presented as regularly scheduled at the second meeting in March. Also, there will be a Strategic Planning subcommittee meeting after today's Board meeting.

#### **APPROVAL OF MINUTES**

##### **February 22, 2021 Meeting Minutes**

On a motion by Richard Bohner, seconded by Norma Cusick, the Board approved the minutes of the February 22, 2021 Board meeting as written (8-0).

#### **PUBLIC COMMENTS**

None.

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

##### **2022-2026 Capital Plan – Allentown Division**

Liesel Gross reminded everyone of the Authority's capital planning and approval process, noting that the five-year capital plan is a conceptual plan detailing the work to be completed in the years ahead. Board approval of the capital plan does not indicate approval of any of the specific projects or associated costs. She explained the Allentown Division draft plan would be presented today, followed by a 30-day comment period with potential Board approval in April.

Chuck Volk reviewed the highlights of the 2022-2026 Allentown Division Capital Plan noting that the largest projects are the general improvements at the Water Filtration Plant and Wastewater Treatment Plant and the water main replacement program which started up again in 2021. These

projects are driven by asset management needs of the system. The large diameter valve replacement project is a new addition for the 2022-2026 capital plan. Mr. Volk noted that recent water main breaks have illustrated the critical nature of these valves. As result, a project to address inoperable valves or valves that do not seal properly has been added to the capital plan.

Ed Klein reviewed the financial analysis for the Allentown Division capital plan, noting that no new borrowing is needed for system improvements during the planning period of 2022-2026. All projects will be funded by operating revenues or reserves.

Ted Lyons asked where the funding would come from for any emergency situations that may occur. Ed Klein explained that the 180 days of cash on hand would be available for emergencies and there is also funding available in the restricted project reserves held by the bond trustee. Between these funds, approximately \$15-20 million dollars would be available. Amir Famili asked for a review of capital spending in 2020 as compared to what was budgeted. Liesel Gross noted that this information was provided in the financial review Ed Klein provided at the February 22<sup>nd</sup> Board meeting with very favorable results for 2020. Ed Klein added that capital spending in 2020 was favorable compared to both forecast and budget, showing strong completion of planned work for the year.

Brian Chamberlain, City of Allentown Office of Compliance, reported that the City will be submitting comments during the 30-day comment period.

### **MONTHLY PROJECT UPDATES / INFORMATION ITEMS**

Liesel Gross highlighted items for the upcoming meeting on March 22<sup>nd</sup>. She noted an additional item for the next meeting agenda would be the SCADA system upgrade project, which is not shown in the monthly project update report.

### **MONTHLY FINANCIAL REVIEW**

Ed Klein gave an overview of the January 2021 financial statements, highlighting variances between actual expenses and budgeted or forecasted expenses. Chairman Nagle commented that he would like to see a month by month forecast of capital spending so the Board can monitor monthly performance. Ed Klein stated that this will start with the March statements. Chairman Nagle asked that, in the future, this be done earlier than March. Ted Lyons asked why the changes in working capital are not captured in the January forecast. Mr. Klein commented that due to heavy staff workload in January, this data was not analyzed or a specific forecast developed for the first month of the year. Jeff Morgan asked if it would be better to forecast capital spending on a quarterly basis rather than monthly, as that may be more likely to be accurate. Mr. Klein said staff will consider this for future reporting.

### **STAFF COMMENTS**

None.

### **SOLICITOR'S COMMENTS**

None.

### **PUBLIC COMMENTS / OTHER COMMENTS**

None.

**EXECUTIVE SESSION**

None.

**ADJOURNMENT**

There being no further business, the Chairman adjourned the meeting at 12:54 p.m.

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Richard Bohner  
Secretary