



Organizational Overview

***Board of Directors
Special Session***

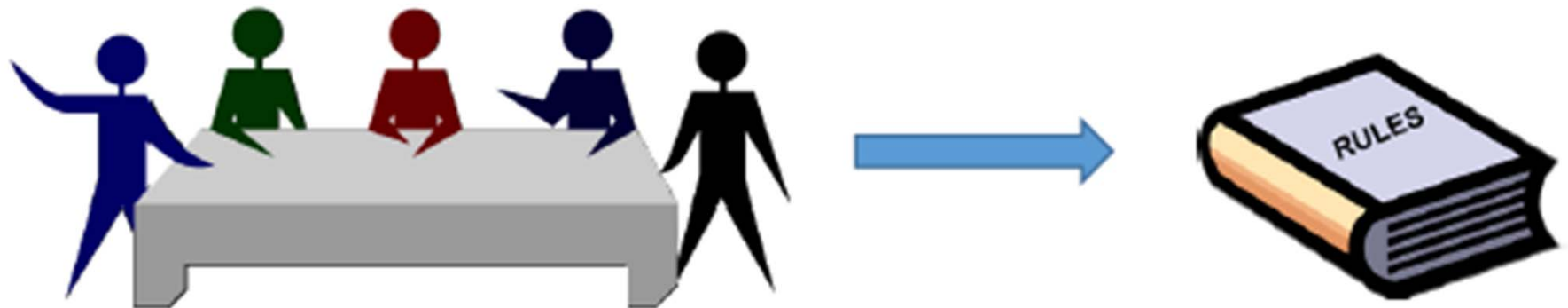
November 10, 2021

Lehigh County Authority – Municipal Authority Structure

Formed under the Pa. Municipality Authorities Act by the County of Lehigh



County of Lehigh appoints LCA's Board of Directors, who is responsible for setting direction, approving rates and policies of the organization





Lehigh County Authority

Municipal Authority Structure:

- Term of existence may be up to 50 years, with term extensions granted by LCA Board, County Commissioners and the Commonwealth of PA. Current LCA term expires September 9, 2062.
- No tax revenues – all LCA finances are derived from user rates.
- Non-profit business structure means all revenues go back into the system, whether to pay debts or make system improvements.

This structure allows LCA to do our job, but our business must be conducted in public and pass the test of public scrutiny!



Articles of
Incorporation

LCA Articles of Incorporation

- 1966 – Establishing LCA, its purpose, and appointing our first Board of Directors (5 members)
- 1970 – Clarifying LCA purpose in alignment with the Pa. Municipality Authorities Act*
- 1975 – Expanding LCA's Board of Directors to 7 members
- 1999 – Extending LCA's term of existence an additional 50 years
- 2014 – Expanding LCA's Board of Directors to 9 members, and restricting Board residency to no more than 2 members per municipality (then-current Board members excluded)
- 2019 – Extending LCA's term of existence an additional 43 years, and requiring annual reporting to the County Board of Commissioners

Municipality Authorities Act: Purposes

Section 5607 of the Act

- Public equipment leasing, building construction
- Transportation, bus/subway, bridges, tunnels, flood control, parking, airports
- Parks & recreation, swimming pools, playgrounds, lakes
- ***Sewer systems, treatment, waterworks, water supply & distribution***
- Solid waste, landfills, incineration facilities
- Steam heating & power generation from related facilities
- Hospitals, health centers
- Industrial development
- Stormwater planning, management & implementation



LCA Board Norms & By-Laws

Board Norms – How do we act?

- Toward each other
- Toward the public
- During Board meetings
- Making decisions
- Interacting with staff
- Holding alternative opinions
- Representing ourselves vs. LCA



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Power & Duties of the Board

By-Laws, Article I, Section 8

- Appointment of CEO
- Determine who can execute what documents
- Delegation of powers
- Establish committees
- Election of officers
- Designate financial institutions holding Authority monies / investments*
- Establish an annual budget by December 31st
- Adopt rules & regulations for service

Selected Responsibilities Delegated to Staff *(by prior Board resolution)*

- Sign documents to meet regulatory / governmental requirements
- Execute easements / rights of way
- Join purchasing cooperatives
- Execute payments and contract for services in accordance with current purchasing guidelines
- Establish and change depository accounts with report to Board*
- Execute change orders to contracts (<10% of original contract)
- Adopt personnel policies (except those with financial consequence)
- Settle claims and lawsuit (<\$50,000)



Discussion

- Besides these transactional roles, what is LCA's overall responsibility...
 - *To the community?*
 - *To the County of Lehigh?*
 - *To customers?*
 - *To employees?*
 - *To the municipalities?*
 - *To other stakeholders?*
- What is the Board's role in achieving this?

NEW LCA STRATEGIC PLAN

Our Mission:

To protect public health and the environment by providing high-quality, safe, and reliable water and wastewater services.



Vision:

To be a trusted and engaged community partner, advancing the vitality of our region through exceptional water and wastewater services.



LCA's Priorities: 2022-2027



Operational Excellence

To proactively ensure safe and reliable service delivery, regulatory compliance, and resilient operations through streamlined processes, best practices, and data-driven decision-making



System Capacity and Reliability

To dependably meet current and future community needs and achieve optimal levels of service by effectively managing assets and implementing projects to ensure sufficient system capacity



Financial Stewardship

To cost-effectively serve our community, now and in the future, by managing funds effectively and responsibly to support debt commitments, operational needs, and asset management



Employee Engagement and Safety

To build a safe, cohesive, and engaging workplace in which employees feel personally connected to their work, each other, and LCA's commitment to excellence



Regional Collaboration and Leadership

To help our region to thrive by growing community confidence in LCA, advancing collaborative efforts, and demonstrating operational excellence



Customer Engagement and Support

To create an exceptional customer experience and build trust and understanding of LCA's essential services

Digging Deeper:

Converting Ideas into Action & Results

From the Strategic Plan framework:

- 21 Strategies
- 200+ Actions / Tasks
- 12-15 Measures

Implementation plan elements:

- Staff-driven effort
- 12- to 18-month activity list
- 6 Strategy Teams
- 6 Strategy “Champions”
- Activity tracking in Strategy Blocks (software)
- Internal communications strategies



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***Board Discussion:
So, what's most important?***



LCA Board Member Feedback: October Poll Results

- **Standardize our asset management approach**
- **Leverage technology, simplify & improve processes**
- Responsible financial mgmt – balanced with rate affordability
- **Increase system capacity to meet future community needs**
- Ensure a safe working environment
- Strengthen relationships with municipalities & stakeholders
- Succession planning & employee development
- Increase customer engagement & responsiveness to customers
- Improve system resiliency (cyber security, emergency response, climate change)

One Extra: Leadership development / organization structure

Staff Picks:

- **Standardize our asset management approach**
- **Leverage technology, simplify & improve processes**
- Responsible financial mgmt – balanced with rate affordability
- **Increase system capacity to meet future community needs**
- Ensure a safe working environment
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Getting Into Specifics



Discussion

Concluding Questions for the LCA Board

- Overall, is the strategic plan hitting the mark?
 - LCA mission, vision, priorities
- What does the Board want to hear about in a report out from staff?
 - Asset Management Program Development
 - Water & Sewer Capacity Development
 - Employee Safety
 - Process Efficiency
 - Other topics?
- How often would the Board like to hear about these key strategies?
- Organizational structure discussion & assessment needed?

Next Steps



December 13, 2021 – Strategic Plan Staff Presentation & Approval



Full employee roll-out



Thank you / presentation to stakeholders who provided input



2022 reporting on progress



Organizational assessment / staffing assessment?

Thank You!