

## **REGULAR MEETING MINUTES**

### **February 28, 2022**

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The Regular Meeting of the Lehigh County Authority Board of Directors was called to order at 12:00 p.m. on Monday, February 28, 2022. Vice Chairman Scott Bieber presiding. The meeting was hybrid via in-person and video and audio advanced communication technology ("ACT"), using the Zoom internet application, including telephone option. 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 in-person or via ACT, using the Zoom internet application, including telephone option. A Roll Call of Board members present was taken. Vice Chairman Scott Bieber, Richard Bohner, Norma Cusick, Ted Lyons, 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, Chuck Volk, Susan Sampson, Andrew Moore, Phil DePoe, Lisa Miller, Todd Marion, Jerry Charvala, and Jason Gruber.

#### **REVIEW OF AGENDA**

Liesel Gross announced that there will be an Executive Session after the regular meeting to discuss personnel. Ms. Gross announced that this is John Parsons' last meeting as he is retiring today. John Parsons thanked all Board members for the opportunity to work with all of them and wished them well. The Board thanked Mr. Parsons for his service.

#### **APPROVAL OF MINUTES**

##### **February 14, 2022 Meeting Minutes**

On a motion by Richard Bohner, seconded by Linda Rosenfeld, the Board approved the minutes of the February 14, 2022, Board meeting as presented (7-0).

Kevin Baker joined the meeting at 12:02 p.m.

#### **PUBLIC COMMENTS**

None.

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

##### **2020 Audit & Financial Statements**

Ed Klein introduced Nate Swartz of Zelenkofske Axelrod LLC who performed the 2020 Audit and Financial Statements review. Mr. Swartz explained that the statements from the Pennsylvania Municipal Retirement System (PMRS) were very delayed. Because the PMRS statements are a major component of the Authority's audit, the completion of the Authority's audit was also delayed. Mr. Swartz thanked Ed Klein and his staff for providing the information to him in a timely manner. Mr. Swartz stated that the Authority was given an unqualified, or clean, opinion on the Authority's basic financial statements, which is the highest level of assurance provided. He also noted there were no uncorrected misstatements, no disagreements with management, no consulting with other accounting firms, and no control issues that needed to be brought before the Board.

Ted Lyons asked why PMRS is always so late with their reports. Mr. Swartz said that they had difficulty with their year-end reconciliation and high employee turnover over the past two years. Liesel Gross added that the Authority and other municipalities met with PMRS in 2021 to express their concerns. PMRS was aware of the issues and assured them that managing the fund performance and customer service were their priorities.

Amir Famili asked if it is a requirement to print the entire Annual Comprehensive Financial Report for the Board members. Because the Authority is environmentally conscious, Mr. Famili asked if the Board and staff would consider an alternative for next year. Some Board members said they would still like to receive printed copies of the Auditor's Opinion Letter and the Authority management's executive summary to be provided on paper. Liesel Gross said that it is a requirement to have the entire document available to the public, and it is posted on the Authority's website. The staff will make note of this for next year and discuss an alternative.

On a motion by Linda Rosenfeld, seconded by Amir Famili, the Board accepted the Audit and Financial Statements for the years ending December 31, 2020 and 2019 (8-0).

Liesel Gross noted for the record that Kevin Baker joined the meeting prior to the vote on the 2020 Audit & Financial Statements.

Ed Klein thanked Nate Swartz and his staff for their work on the audit. Amir Famili thanked Ed Klein and his team for their hard work on the audit.

### **Election of Officers**

Scott Bieber asked for the nominating report from Norma Cusick, who served as the Nominating Committee. Ms. Cusick reported she had polled the Board members to determine their interest in serving as a Board officer. She then offered the following slate of nominations for 2022 officers:

Brian C. Nagle, Chair

Scott Bieber, Vice Chair

Richard H. Bohner, Secretary

Ted Lyons, Treasurer

Norma A. Cusick, Assistant Secretary

Scott Bieber asked if there were any other nominations, which there were not. On a motion by Richard Bohner, seconded by Linda Rosenfeld, the Board elected the officers for 2022 as nominated: Brian C. Nagle as Chair, Scott Bieber as Vice Chair, Richard H. Bohner as Secretary, Ted Lyons as Treasurer, and Norma A. Cusick as Assistant Secretary (8-0).

### **Allentown Division – Emergency Declaration – Water Main Break at 27<sup>th</sup> Street**

Gerald Charvala reviewed the report on the Emergency Declaration that occurred on January 28, 2022, at the 200 block of N. 27<sup>th</sup> Street in Allentown. Due to the substantial road damage that occurred, the Authority's water distribution manager, Jason Gruber, recommended replacement of the full water main on 27<sup>th</sup> Street and repair of the roadway on an emergency basis. An interim emergency declaration was provided by the Chief Executive Officer, and the total cost of the repair is \$231,593.70. This cost includes final road restoration, which will be completed in the spring of 2022.

Amir Famili asked if the cause for the breakage is known. Mr. Charvala said the spun cast iron pipe was installed in 1952 and has exceeded its life expectancy. Scott Bieber asked if the Authority could expect more of these breaks to occur in the future. Mr. Gruber said that the pipes made of spun cast are a concern. The Allentown water system contains approximately 20 percent spun cast piping .

Each year, the water main replacement program addresses areas of the water system that contain spun cast iron water mains to continue making progress removing it from the system.

On a motion by Jeff Morgan, seconded by Amir Famili, the Board approved the retroactive Emergency Declaration in the amount of \$213,593.70 (8-0).

**Kline's Island Sewer System – Regional Sewer Capacity & Wet-Weather Planning – Regional Act 537 Plan Preparation**

Scott Bieber asked for a list of expenditures and consultant work that is involved in the development of the Act 537 Plan. Liesel Gross said that Phil DePoe can provide this at a later meeting. Jeff Morgan commented that that planning schedule for the Act 537 Plan seems to be very short and will be challenging to meet. He suggested that the Authority discuss the schedule with DEP and reevaluate the submission schedule for the plan. Ms. Gross stated that in December 2021, the Authority and City of Allentown met with DEP to discuss the schedule. Amir Famili asked if the Authority has prepared a planning schedule to illustrate the critical path for this project and requested a copy for the Board. Mr. DePoe stated the items requested by the Board can be compiled and provided at a future meeting. He noted that the plan is currently on schedule but there is no slack in the schedule, so all targets must be met to achieve the March 2025 deadline.

Mr. DePoe explained that this authorization request is for ARRO to develop the Final Act 537 Plan document for the Kline's Island Sewer System (KISS). The plan submission will include the planning module flow projections for the 2026-2050 timeframe for all 15 municipalities connected to the KISS. ARRO services include: attending various meetings with DEP, the Authority, and KISS signatories; develop a Task Activity Report (TAR) and submit it to DEP; coordinate with various consultants to incorporate alternatives and solutions; develop a draft plan following the DEP checklist; address and incorporate all comments from the public and the KISS municipal planning commissions; assemble and distribute hard copies of the final plan; facilitate final municipal approvals; and submit the final plan to DEP.

Scott Bieber asked that the Board receive a copy of the Task Activity Report (TAR). Mr. DePoe said the report can be shared with the Board at a future meeting.

Costs associated with the development of the Act 537 Plan will be paid by the City of Allentown and reimbursed through existing intermunicipal agreements and by City customers through the use of the Administrative Order fee.

On a motion by Ted Lyons, seconded by Linda Rosenfeld, the Board approved the Capital Plan Authorization for the Regional Act 537 Plan Preparation in the amount of \$234,705.00, which includes the Professional Services Authorization to ARRO for the Regional Act 537 Plan Preparation in the amount of \$184,705.00 (8-0).

Amir Famili asked about the three deliverables that are expected to be received from AECOM for the program management contract that was approved at the prior meeting. Mr. DePoe explained the three deliverables will be a report on the analysis of the Pretreatment Plant upgrade option, a memo and analysis of regulatory feedback received from the Delaware River Basin Commission, and a financial analysis of selected alternatives using the Revenue Planning Tool that was developed in 2021. Mr. Famili asked how AECOM would be held accountable for the opinions and analysis they are providing, and what happens if the projects outlined in the Act 537 Plan are not successful in solving the issues with the system. Liesel Gross explained that the Act 537 Plan will need to include detailed review of all alternatives, including the ability for the projects to be permitted by the

regulatory agencies, a review of project financing, and a review of constructability of the projects. If DEP approves the plan, then the next step is to move into design phase of the projects. It would be during the design phase that the technical details of the projects will be fully outlined and the design engineer would be accountable for project performance.

### **MONTHLY FINANCIAL REVIEW**

Liesel Gross explained that next month the February financial report will be presented to get back on track with the monthly reports. Ed Klein gave an overview of the December 2021 report, highlighting the variances between actual expenses and budgeted or forecasted expenses.

Amir Famili asked if the variances in capital spending are due to timing or due to something unexpected happening. Ed Klein said there are four major projects that have driven the variances for 2021, and timing was the major contributing factor in each instance. Chuck Volk explained the Arcadia Water Tank replacement project overrun in 2021, stating that the project was actually ahead of schedule and more costs incurred in 2021 versus 2022. The Kohler Pump Station project was affected in 2020 by delays due to COVID-19 and outstanding punch list issues, so additional costs were incurred in 2021 versus 2020. As far as the Wynnewood Wastewater Treatment Plant project is concerned, the 2021 variance was also affected by COVID-19 and other equipment delivery delays in 2020. He noted the Pretreatment Plant capital budget was affected by additional unforeseen costs in rehabilitating the cryogenic plant in 2021. Phil DePoe noted that the Wastewater Capacity Program went over budget in 2021 due to timing issues related to consultant work that is spread out over several years.

### **MONTHLY SYSTEM OPERATIONS OVERVIEW**

John Parsons prepared the report and Andrew Moore reviewed the January 2022 Monthly Systems Operations report, highlighting items of interest in the report.

Scott Bieber asked why the flow at the Kline's Island Wastewater Treatment Plant is lower in January. Phil DePoe stated the lower flows are due to lower groundwater levels and lower precipitation. Amir Famili asked about the injury on the Monthly Operations report. Andrew Moore explained that the injury was due to a broken tooth caused by an employee pulling on a hose that was stuck in the mud, which let loose and hit the employee in the face. Jeff Morgan asked about the Western Lehigh Interceptor siphon chambers and if they are jetted or cleaned on a quarterly or semi-annual basis, and asked which portions of the chambers are lined. Mr. Charvala said that because of the flow in the chambers, it is difficult to clean them on a regular basis, but they were lined from the chamber to the bench. The piping is not lined.

Liesel Gross asked the Board for any feedback regarding the current format of the report. Chris Moughan and Andrew Moore will be making changes to the report over the next few months and any Board feedback should be provided to Ms. Gross.

Scott Bieber asked what "level of service" means. Liesel Gross explained that it is a term to describe how an asset is performing in relation to the service provided to the customer or community. Mr. Bieber asked if the staff could provide a graph to show the level of wastewater in the manholes as an indication of level of service. Ms. Gross said the Authority has this data from the flow monitoring period completed in 2021, but the system does not have level sensors installed to show this information on an ongoing basis.

**STAFF COMMENTS**

Susan Sampson reported that the Authority was contacted by Treatment Plant Operator magazine wanting to do a story on the Kline's Island Wastewater Treatment Plant (KIWWTP). After interviews and a photo shoot at the facility, Gary Saunders, Plant Manager at the KIWWTP, was featured on the cover of the March 2022 TPO magazine. The article will be featured on the Authority's website and copies of the magazine will be distributed to the Board.

**SOLICITOR'S COMMENTS**

None.

**PUBLIC COMMENTS / OTHER COMMENTS**

Ted Lyons gave a special congratulations to John Parsons for a great career and for always being professional and straightforward when answering questions for the Board. He wished him well on his retirement.

**EXECUTIVE SESSION**

Scott Bieber announced there will be an Executive Session at 1:35 p.m. to discuss personnel.

**ADJOURNMENT**

There being no further business, the Vice Chairman adjourned the meeting at 1:27 p.m.

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Richard Bohner  
Secretary