

REGULAR MEETING MINUTES
June 27, 2022

Notice of Preparation of Authority Meeting Minutes: Authority staff who are in attendance at each Authority Board meeting prepare a draft of the Minutes, which are subsequently distributed to all Board members for review. Board members may offer corrections prior to a vote of the full Board of Directors to approve the Minutes.

The Regular Meeting of the Lehigh County Authority Board of Directors was called to order at 12:00 p.m. on Monday, June 27, 2022. Chairman Brian Nagle 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. Brian Nagle, Richard Bohner, 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, Chris Moughan, Chuck Volk, Andrew Moore, Phil DePoe, Mark Bowen, and Lisa Miller.

Chairman Nagle announced that the Board received their electronic and hard copies of the Board packet in advance, along with the revised copy of Resolution No. 6-2022-2, and asked if anyone did not receive their copy of the packet or the revised Resolution. A copy of the packet and revised Resolution are also available online.

REVIEW OF AGENDA

Liesel Gross also announced that there was an adjustment to Resolution No. 6-2022-2 that removed the Suburban Water Tapping Fees and the packet posted on the website is correct. An Executive Session is planned after the regular meeting to discuss legal matters with the Solicitor.

APPROVAL OF MINUTES

June 13, 2022 Meeting Minutes

On a motion by Richard Bohner, seconded by Amir Famili, the Board approved the minutes of the June 13, 2022 Board meeting as written (6-0).

PUBLIC COMMENTS

None.

ACTION AND DISCUSSION ITEMS

Resolution No. 6-2022-2: Suburban Division Wastewater Tapping Fees

Liesel Gross introduced the revised Resolution No. 6-2022-2 that focuses on the Suburban Division Wastewater Tapping fees. Ed Klein commented that the fees have been updated to include additional capital spending since the last update, in accordance with the state statute on tapping fees. There are no significant changes to the fees. Dave Busch from Keystone Alliance Consulting, who prepared the fee calculation documents, commented that the process is identical to what was done in the past and according to state statute. Liesel Gross added that the 2020 Census data was

recently received and used in this fee calculation. The Census data affects the calculation for the Equivalent Dwelling Unit (EDU) in each municipality, based on the number of people per household. The EDU value is a component of the tapping fee calculation. These updated values will be in place until the next Census is completed in 2030.

There was some discussion regarding the EDU values, and the process for notifying customers and municipalities of the change.

On a motion by Linda Rosenfeld, seconded by Jeff Morgan, the Board approved Resolution No. 6-2022-2 that establishes the various components of the LCA capital recovery fees for the various Suburban Division Wastewater Systems (6-0).

A roll call vote was taken with the following votes cast:

Brian Nagle – yes
Richard Bohner – yes
Kevin Baker – yes
Linda Rosenfeld – yes
Jeff Morgan – yes
Amir Famili – yes

Water Filtration Plant: Filter Upgrade Project

Chuck Volk gave a brief overview of the Water Filtration Plant filtration system, which consists of eight dual-media gravity filters that have exceeded their useful service life. Hazen & Sawyer was retained to perform preliminary engineering for the filter rehabilitation project and have been selected to perform the design phase as well. Mr. Volk reviewed the scope of work for the design and bid phase of the project, noting the construction work will be phased over a two-year period in order to maintain treatment capacity and minimize operational interruptions. Liesel Gross commented that the City of Allentown has committed American Rescue Plan funds to the project.

There was some discussion regarding the technology that will be used to increase efficiency of the filters.

On a motion by Amir Famili, seconded by Linda Rosenfeld, the Board approved the Capital Project Authorization for the Design and Bid phase in the amount of \$238,691.00, which includes the Professional Services Authorization to Hazen & Sawyer in the amount of \$199,792.00 (6-0).

A roll call vote was taken with the following votes cast:

Brian Nagle – yes
Richard Bohner – yes
Kevin Baker – yes
Linda Rosenfeld – yes
Jeff Morgan – yes
Amir Famili – yes

Regional Sewer Capacity & Wet-Weather Planning: Engineering & Program Support

Phil DePoe introduced Chris Curran and Ralph Eschborn from AECOM who were present at the meeting to discuss the progress on the regional Act 537 Plan development for the Kline's Island Sewer System. Mr. Curran and Mr. Eschborn gave a detailed presentation reviewing prior planning that had been conducted beginning in 2013 and current planning and engineering activities. They focused the discussion on various alternatives that had been reviewed related to upgrading the Authority's Pretreatment Plant (PTP) to full treatment, and the range of options to treat dry-weather and wet-weather flows at the PTP facility. A primary driver for these evaluations is to determine the downstream benefits of removing peak flows from the system. If adequate peak flows can be removed from the system at the PTP, downstream conveyance system upgrades could be reduced or eliminated, resulting in significant cost savings. At the same time, AECOM is supporting the engineering evaluation of peak flow treatment capacity at the Kline's Island Wastewater Treatment Plant (KIWWTP). As the program manager, AECOM is also reviewing regulatory implications of each alternative, including discussing the PTP upgrade options with the Delaware River Basin Commission. The engineering evaluations of the PTP and KIWWTP treatment options will be paired with the hydraulic flow modeling work that Arcadis is completing, so comprehensive solutions can be evaluated. Mr. Curran and Mr. Eschborn also reviewed key tasks and deliverables for their work as the program manager for the Act 537 Plan development process.

There was some Board discussion regarding the prior evaluations of the PTP upgrade concept, including a discharge location on the Jordan Creek and land application of treated waste. Mr. Eschborn reviewed those prior evaluations and the reasons that other options were eliminated. The most beneficial option that is currently being considered is to discharge treated effluent from the PTP through a pump station and force main to the Lehigh River, utilizing outfall facilities already constructed at the KIWWTP.

There was some additional discussion about the peak flow capacity of the system, and options to capture renewable natural gas.

AECOM representatives then reviewed the next steps in the planning process, which will result in a final Act 537 Plan being submitted to the Pa. Department of Environmental Protection (DEP) in 2025. They also reviewed their proposed scope of work for continuing program management services through early 2023.

The Board thanked Mr. Curran and Mr. Eschborn for their presentation and excused them from the meeting.

Board members discussed AECOM's presentation and commented that it would be beneficial to have the consultants present updates to the Board on regular intervals to help the Board members absorb the technical details of this complex planning project. Mr. DePoe noted that Jacobs is completing the PTP master plan and will be invited to present a summary to the Board this fall.

On a motion by Jeff Morgan, seconded by Linda Rosenfeld, the Board approved the Capital Project Authorization for the Regional Act 537 Plan Program Management, Planning Phase in the amount of \$310,000.00 which includes a Professional Services Authorization to AECOM for the Regional Act 537 Plan Program Management services in the amount of \$270,000.00 (6-0).

A roll call vote was taken with the following votes cast:

Brian Nagle – yes

Richard Bohner – yes
Kevin Baker – yes
Linda Rosenfeld – yes
Jeff Morgan – yes
Amir Famili – yes

Park Pump Station Phase 2 Upgrade

Chuck Volk introduced Phase 2 of the project that will replace the existing original backup generator with a new natural-gas sound-attenuated generator. He noted that removing the diesel fuel storage tank from the facility, which sits along the Little Lehigh Creek, will be a big improvement from an environmental protection viewpoint. Bids were received for the Electrical Contract for the project, including the generator. On the other hand, no bids were received for the General Construction Contract. Mr. Volk noted that the long lead time for the receipt of the generator was likely the reason for not receiving bids for the General Construction Contract, as pricing for construction materials have been volatile and may change by the time the generator is delivered. Therefore, the Authority will re-bid the General Construction Contract at a later date, closer to the delivery date of the generator. Jeff Morgan asked about legal procedures when no bids are received. Solicitor Mike Gaul explained the required bidding process when there are no bids received. Amy Kunkel explained that LCA was able to achieve a \$414,000.00 cost savings through inclusion of an alternate in the bid specifications, subject to review by the City of Allentown of the project and the application of the City's sound ordinance. The City has completed its review and determined that the lower cost sound-attenuating system would comply with the City's ordinance.

On a motion by Amir Famili, seconded by Linda Rosenfeld, the Board approved the Capital Project Authorization for the Construction Phase - Electrical in the amount of \$1,762,726.25 which includes the Construction Contract for Electrical to Albarell Electric, Inc. in the amount of \$1,415,250.25 and the Professional Services Authorization for Construction Phase Engineering to Whitman, Requardt, and Associates, LLP in the amount of \$151,876.00 and the Professional Services Authorization for the Construction Phase Inspection to Cowan Associates, Inc. in the amount of \$22,600.00 (6-0).

A roll call vote was taken with the following votes cast:

Brian Nagle – yes
Richard Bohner – yes
Kevin Baker – yes
Linda Rosenfeld – yes
Jeff Morgan – yes
Amir Famili – yes

MONTHLY FINANCIAL REVIEW

Ed Klein gave an overview of the May 2022 financial statements, highlighting variances between actual expenses and budgeted or forecasted expenses. Mr. Klein then discussed the upcoming financing for the Suburban Water Division capital program, noting that the 2022-2027 Capital Plan specified that the Authority would borrow \$12,180,000 to fund selected projects and maintain rate stability. Due to recent interest rate increases and risk of continued interest rate increases, a request for proposals was issued to begin the process of securing bond financing or a bank loan on an expedited basis. He explained that the Board would be presented with a parameters resolution in the future to consider authorization of the financing. The information presented at today's meeting is for informational purposes and to seek feedback from the Board. Chris Gibbons of Concord Financial

was in attendance at the meeting, and he commented that interest rates are continuing to rise but are still low from a historical perspective, suggesting it is still a favorable borrowing environment for the Authority. There was some Board discussion, followed by a general consensus that the staff should continue pursuing the financing.

MONTHLY SYSTEM OPERATIONS OVERVIEW

Andrew Moore reviewed highlights of the May 2022 report, noting that there was an increase in water production in May due to increasing temperatures, along with increased sewer flows in all service areas due to over 5.27 inches of rainfall in May. He also reviewed the bypasses, sewer overflows, and boil advisories that occurred in May as outlined in the report.

Chris Moughan reported on a main break in Allentown where Operations employees discovered a gas leak at Gordon and 9th Streets. He gave special thanks to Anthony Morales, David Diaz, John Maco, and Nathan Roush for their quick response.

STAFF COMMENTS

Liesel Gross thanked the Board for their support for staff attendance at the American Water Works Association annual conference in Texas earlier this month. Attending the Water Utility Council meeting during the conference was beneficial as well, providing staff with additional resources to support the review of the new health advisories for PFAS that were issued in June by the U.S. Environmental Protection Agency. She noted that Chris Moughan and Susan Sampson also attended the conference.

SOLICITOR'S COMMENTS

None.

PUBLIC COMMENTS / OTHER COMMENTS

None.

EXECUTIVE SESSION

An Executive Session will follow the regular meeting to discuss legal matters with the Solicitor.

ADJOURNMENT

There being no further business, the Chairman adjourned the meeting at 1:52 p.m.

Richard Bohner
Secretary