

## **REGULAR MEETING MINUTES**

### **August 22, 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, August 22, 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, Scott Bieber, Richard Bohner, Ted Lyons, Linda Rosenfeld, Jeff Morgan, and Amir Famili were present for the duration of the meeting. Kevin Baker entered the meeting at the time noted below.

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

Chairman Nagle announced that the Board received their electronic and hard copies of the Board packet in advance and asked if anyone did not receive their copy of the packet. A copy of the packet is also available online.

#### **REVIEW OF AGENDA**

Liesel Gross announced that there are no changes to the agenda; however, there will be an Executive Session at the close of the regular meeting to discuss personnel.

#### **APPROVAL OF MINUTES**

##### **August 8, 2022, Meeting Minutes**

On a motion by Richard Bohner, seconded by Linda Rosenfeld, the Board approved the minutes of the August 8, 2022, Board meeting as written (4-0). Amir Famili, Ted Lyons, and Scott Bieber abstained.

#### **PUBLIC COMMENTS**

None.

Ted Lyons suggested the Board discuss privatization of public water systems at a future meeting. Scott Bieber asked to have the regular Board meeting agenda be updated to include a section for Board member comments.

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

Kevin Baker entered the meeting at 12:05 p.m.

##### **LCA Tapping Fee Policy Update & Suburban Water Division Tapping Fees**

Liesel Gross provided background on the update to various Authority policies and the Suburban Water Division tapping fees. She explained that the fees were scheduled to be presented and approved at an earlier meeting, but were withdrawn from the agenda. The fees were calculated by David Busch of Keystone Alliance Consulting, Inc. in 2022. The prior fees have been in place since 2012. Because the new fees showed a significant change in the calculation, Authority staff took time to review existing policies to ensure the fees would be implemented properly. Through this process, it was discovered that the policies required updates to be consistent with the Pennsylvania Municipality Authorities Act (MAA). The primary changes to the policies relate to how reimbursements are handled for qualifying developer-installed facilities. Ms. Gross explained that the reimbursement fees allowable under the MAA would apply most frequently to the Authority's Suburban Water Division, where developers are typically installing new infrastructure to serve their developments. When those developer-installed water facilities are completed, they are dedicated to the Authority, and some reimbursement fees may be due to the developers in the future if new customers connect to those facilities. The updated policies more clearly explain the process for reimbursement fees.

David Busch from Keystone Alliance Consulting, Inc., was in attendance and provided additional background on the policies and the fee calculation. There was some discussion regarding the development process and installation of new water infrastructure, and questions about how the fees are calculated. Mr. Busch explained that the Suburban Water Division tapping fees have been consolidated into a single fee for all of the Authority's systems, with the exception of the Arcadia system. The Arcadia water system includes a special fire protection system for all users that is not present in the Authority's other water systems. Therefore, the Arcadia system tapping fees were calculated separately. Mr. Busch explained the overall basis of the tapping fees and the different approaches to calculating the cost basis, using either the original cost or trended cost method.

Scott Bieber asked for clarification and explanation of the language in the Authority's Main Extension Policy regarding different obligations for small subdivisions on corner lots. Some discussion followed.

Ms. Gross then reviewed the four exhibits included with the Board agenda and the policy updates that are requested. She also explained that tapping fees are required to be adopted by a Resolution of the Board, and referred to Resolution 8-2022-1 that was also provided for Board consideration for adoption of the Suburban Water Division tapping fees.

On a motion by Jeff Morgan, seconded by Linda Rosenfeld, the Board approved the LCA Tapping Fee Policy as updated (Board packet Exhibit 2) (8-0).

On a motion by Amir Famili, seconded by Scott Bieber, the Board rescinded the LCA Distribution Fee report (Board packet Exhibit 3) (8-0).

On a motion by Linda Rosenfeld, seconded by Scott Bieber, the Board approved the LCA Main Extension Policy & Contribution Policy as updated (Board packet Exhibit 4) (8-0).

On a motion by Richard Bohner, seconded by Jeff Morgan, the Board approved Resolution No. 8-2022-1 (8-0).

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

Brian Nagle – yes  
Scott Bieber – yes  
Richard Bohner – yes

Ted Lyons – yes  
Kevin Baker – yes  
Linda Rosenfeld – yes  
Jeff Morgan – yes  
Amir Famili – yes

Liesel Gross thanked the Board for all their questions and Mr. Busch for his support of this process improvement initiative.

### **Water Main Replacement Program Cycle 7 & 8**

Chuck Volk provided an overview of the project and introduced Jason Peters, project coordinator, to review the details. Jason Peters gave an overview of the Allentown Division Water Main Replacement Program Cycles 7 & 8 which will consist of about two miles of water main replacement work through 2024. The project will be funded by the LCA Allentown Division and has been approved by the City of Allentown as a Major Capital Improvement. He discussed the importance of coordinating this project with other related work such as other underground utilities, traffic control, the City of Allentown streets program, along with other outside agencies.

Mr. Peters noted that in order to maintain continuity and efficiency, which resulted in successful prior water main replacement projects, it is recommended to retain the services of Gannett Fleming, Inc. for the design of Cycles 7 and 8 through their pipe prioritization program. The pipe prioritization program will identify the water mains to be replaced, taking into consideration break history and other factors. There was some discussion regarding ensuring competitive pricing when the Authority exclusively uses the same firm for the work on multiple projects. Chuck Volk explained that the staff is comfortable the consultant's pricing is fair based on prior projects and the efficiency gained through their extensive knowledge of the Authority's system and program goals.

Jennifer McKenna, City of Allentown Office of Compliance, clarified that the City of Allentown has not approved the Cycle 7 and 8 projects because the project design has not been completed; however, the overall program approach is acceptable to the City. She also commented that the pipe prioritization process that Authority uses has been very beneficial, and the City appreciates that main replacement projects has been spread out geographically throughout the City over the years.

Scott Bieber requested a map to see where all the work in the City has been occurring.

On a motion by Ted Lyons, seconded by Jeff Morgan, the Board approved the Capital Project Authorization for the Design Phase and Pipe Prioritization Assessment Program Cycles 7 and 8 in the amount of \$395,830.00 which includes the Professional Services authorization to Gannett Fleming, inc. in the amount of \$260,830.00 (8-0).

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

Brian Nagle – yes  
Scott Bieber – yes  
Richard Bohner – yes  
Ted Lyons – yes  
Kevin Baker – yes  
Linda Rosenfeld – yes  
Jeff Morgan – yes  
Amir Famili – yes

**MONTHLY FINANCIAL REVIEW**

Ed Klein gave an overview of the July 2022 financial statements, highlighting variances between actual expenses and budgeted or forecasted expenses.

**MONTHLY SYSTEM OPERATIONS OVERVIEW**

Andrew Moore reviewed highlights of the July 2022 report, noting that there was a continued increase in water production and decreased sewer flows due to the low rainfall in July. He also reported that the newly constructed Applewood Emergency Interconnection was placed online on July 14th to supplement water demand while Reservoir 1 would be offline for repairs. He also explained an employee injury that occurred in July.

**STAFF COMMENTS**

Liesel Gross recognized Ed Klein for his hard work on the Suburban Water Division tapping fees, which were approved earlier in the meeting.

**SOLICITOR'S COMMENTS**

None.

**PUBLIC COMMENTS / OTHER COMMENTS**

None.

**EXECUTIVE SESSION**

There will be an Executive Session after the regular meeting to discuss personnel matters.

**ADJOURNMENT**

There being no further business, the Chairman adjourned the meeting at 1:24 p.m.

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Richard Bohner  
Secretary