

## **REGULAR MEETING MINUTES December 12, 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 12:01 p.m. on Monday, December 12, 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, 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, Chris Moughan, Chuck Volk, Andrew Moore, Phil DePoe, Susan Sampson, Albert Capuzzi, 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. He also announced that an Executive Session was held prior to the meeting to discuss personnel matters.

Liesel Gross noted that there were two items emailed to the Board after the packet was mailed: the 2021 Audit & Financial Statements and the SMART Union 2023-2025 contract changes. These items are also posted on the website.

### **REVIEW OF AGENDA**

Liesel Gross announced that there are no changes or additions to the agenda. She also noted that this is the only Board meeting in December.

### **APPROVAL OF MINUTES**

#### **November 14, 2022 Meeting Minutes**

On a motion by Richard Bohner, seconded by Amir Famili, the Board approved the minutes of the November 14, 2022, Board meeting as written (9-0).

### **PUBLIC COMMENTS**

None.

#### **Special Recognition – Richard Bohner**

The Board recognized and thanked Mr. Bohner for his 50 years of dedicated volunteer service on the Lehigh County Authority Board of Directors. A video excerpt from the Lehigh County Board of Commissioners’ November 22, 2022 meeting was shown. In the video, the Commissioners and County Executive honored Mr. Bohner with a Proclamation and Resolution to honor his 50 years of service to the Authority. Chairman Nagle presented Mr. Bohner with both the Proclamation and Resolution. Mr. Bohner thanked the Authority Board and staff stating that he enjoyed his time serving.

Jennifer McKenna from the City of Allentown Office of Compliance commented on behalf of the City of Allentown, thanking Mr. Bohner for his service.

### **2023 Board Meeting Schedule**

Liesel Gross noted that the draft 2023 meeting schedule has been reviewed by the staff and Board for any conflicts.

On a motion by Linda Rosenfeld, seconded by Ted Lyons, the Board approved the 2023 Board meeting schedule as presented (9-0).

### **2021 Audit & Financial Statements**

Ed Klein introduced Nate Swartz from Zelenkofske Axelrod LLC who was present to give an overview of the financial statements and auditor's report for years ending 2020 and 2021. 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.

Mr. Swartz highlighted key schedules included in the report, such as the statement of net position which shows the assets and liabilities, the cash flow statement, and the notes to the financial statements related to other post-employment benefits (OPEB) and the pension fund.

There were some comments and discussion regarding the pension plan and OPEB funds.

On a motion by Ted Lyons, seconded by Amir Famili, the Board accepted the 2021 Audit & Financial statements (9-0).

### **Resolution 12-2022-1: Customer Facility Fees & Connection Fees**

Liesel Gross provided an overview of the connection fees that are required to be adopted by Resolution every year for the City Division Water System, the Customer Facilities fees for the City Division Water and Wastewater system, and the Suburban Division Water and Wastewater systems.

On a motion by Linda Rosenfeld, seconded by Jeff Morgan, the Board approved Resolution No. 12-2022-1 establishing the various components of the Authority's Capital Recovery fees for the City Division water system connection fees and the customer facilities fees for the City Division water system and the Suburban Division Water and Wastewater systems (9-0).

### **Resolution 12-2022-2 & 12-2022-3: Authorizing the Authority's Applications for Grant Funding**

Liesel Gross reviewed the project summary that was provided to the Board for the grant application resolutions for the Upper Western Lehigh Pump Station Project and the Heidelberg Heights Sanitary Sewer Replacement project. The grant program is available through the Department of Community and Economic Development using the American Rescue Plan Act (ARPA) funds that were held by the state to support water and sewer utility projects.

Scott Bieber asked about support from the County of Lehigh regarding the Trexlertown interceptor project. Liesel Gross said that the County had previously declined to support this project with an allocation of their ARPA funds, but have provided their support for the Authority's grant application.

On a motion by Linda Rosenfeld, seconded by Amir Famili, the Board approved Resolution No. 12-2022-2 authorizing the submission of a H2O PA Water Supply Sanitary Sewer and Storm Water projects grant request (9-0).

On a motion by Scott Bieber, seconded by Jeff Morgan, the Board approved Resolution No. 12-2022-3 authorizing the submission of a PA Small Water and Sewer program grant request (9-0).

### **SMART Union Contract Changes – 2023-2025**

Liesel Gross stated that the Authority's contract with the Sheet Metal, Air, Rail and Transportation Workers (SMART) Local 19 union will expire on December 31, 2022. She reviewed the key contract provisions that had been negotiated to be changed for a new contract to go into effect for the years of 2023 through 2025.

On a motion by Linda Rosenfeld, seconded by Kevin Baker, the Board approved an amended contract with the SMART Local 19 union for the years 2023-2025 with the amendments contained in the detailed report provided with the agenda, and authorized the CEO to execute the final form of the amended contract, with any incidental modifications necessary, in consultation with the Solicitor (9-0).

Liesel Gross commented that during the development of the 2023 Budget, which was approved in October, an additional sum of \$110,000 was added to the personnel budget to accommodate expected changes in the SMART contract as well as to provide additional support to employees in a difficult economic climate over the past year. She requested the Board authorize the release of this funding to be distributed to all employees in January 2023.

On a motion by Amir Famili, seconded by Ted Lyons, the Board authorized the release of \$110,000 from the budgeted pool for 2023 salary adjustments to be awarded in January to members of the SMART union in accordance with the 2023-2025 contract and to other Authority employees at the discretion of the CEO, for purposes of recognizing employee dedication during difficult economic times over the past year (9-0).

### **Capital Works Plan Room – Storage and Scanning**

Chris Moughan explained that this project would digitize approximately 18,000 plan sheets that are currently stored in a room in the Capital Works department. After scanning, the plans would be available via the Geographic Information System for easy access to view in the field. He would like to engage Reynolds Business Systems because of their secure storage, data security protocols, close proximity to the Authority offices, and ability to work within the expected schedule. As the plan room is cleared out, the space will be converted to additional office space. The plans will remain offsite until a more suitable storage location is determined.

Amir Famili asked how long the paperwork needs to be maintained. Mr. Moughan explained that the records are kept in accordance with the Pennsylvania Municipal Records Manual. Jeff Morgan commented that the drawings are invaluable and should be maintained.

On a motion by Jeff Morgan, seconded by Scott Bieber, the Board approved the Professional Services Authorization to Reynolds Business Systems in the amount of \$79,640.93 (9-0).

**Contract Laboratory Analysis for Water and Wastewater Samples**

Andrew Moore explained that the current contract for laboratory services will expire at the end of 2022. A Request for Proposal was issued to solicit pricing for laboratory services to meet the needs of the Allentown Division, Suburban Division, and the Pretreatment Plant. Over 8,000 water, wastewater and biosolids analyses are conducted yearly for the Authority by the contract laboratory, and more than 30,000 additional analyses are conducted in the Authority's in-house laboratories. He is recommending Suburban Testing Labs for the one-year contract with the option to extend for two additional one-year periods.

On a motion by Amir Famili, seconded by Linda Rosenfeld, the Board approved the Professional Services Authorization to Suburban Testing Labs in the amount of \$204,323.00, including the option to extend the contract for two additional one-year periods (9-0).

**KISS Act 537 Planning – Financial & Institutional Evaluation, Phase 1**

Liesel Gross explained the need for the financial and institutional evaluations and noted they are requirements of the Pa. Department of Environmental Protection (DEP) and the Act 537 Plan checklist. DEP has expressed preference for the municipalities and the Authority to look at the Kline's Island Sewer System (KISS) on a more regional basis. Key components of the first phase of this evaluation are to compile financial information from each KISS municipality and to complete a preliminary analysis of system costs and rates across the system for each municipality and the system as a whole. The future phases will work parallel with the engineering work that is also being completed for the Act 537 Plan development.

Ms. Gross reviewed the proposals received for this work and noted that the Authority is working in collaboration with the City of Allentown on this phase. Raftelis provided the lowest cost proposal and was the most responsive to the needs identified. She noted that Raftelis has strong experience working with regional systems similar to the Authority, including working on Act 537 Plans in Pennsylvania.

There was some Board discussion regarding the current intermunicipal agreements and whether they will be relevant moving forward. There was also some discussion regarding community impacts and rate affordability as the projects that will be outlined in Act 537 Plan move forward.

On a motion by Linda Rosenfeld, seconded by Ted Lyons, the Board approved the Capital Project Authorization – KISS Act 537 Plan Financial & Institutional Evaluation – Phase 1 in the amount of \$90,925.00 which includes the Professional Services Authorization: Financial & Institutional Evaluation Services to Raftelis in the amount of \$70,925.00 (9-0).

**Sanitary Sewer Collection System: City of Allentown Manhole Inspections**

Phil DePoe provided an overview of the project to create a sanitary sewer manhole rehabilitation program within the Allentown Division sewer system. The 10-year program is necessary to remove inflow from the system and reduce peak flows during wet-weather events. In 2023, the first year of the program, 900 manholes will be inspected and a rehabilitation plan developed for those manholes. Thereafter, each year's scope of work will include both inspection work and manhole rehabilitation until all of the Allentown Division manholes have been addressed. The Authority intends to retain the services of Arcadis to provide the manhole inspection services in 2023. Following the initial inspections, the Authority will determine if the work can be done using existing staff or with additional consultant support.

Scott Bieber commented that Portland Cement should not be used for sewer work because it does not hold up. Mr. DePoe said he will look into why that is being recommended as the manhole lining material. There was additional Board discussion regarding the prioritization of the manhole work. Amir Famili stated his concern regarding the possibility of a cost increase over what is being approved in this authorization, and expressed his preference for good project controls to ensure the inspections are completed on time and on budget.

On a motion by Linda Rosenfeld, seconded by Ted Lyons, the Board approved the Capital Project Authorization: Allentown Division: 2023 Manhole Inspections in the amount of \$239,000.00 which includes the Professional Services Authorization to Arcadis – 2023 Manhole Inspections in the amount of \$199,000.00 (9-0).

### **Sanitary Sewer Collection System: City of Allentown Interceptor Inspections**

Phil DePoe explained that the purpose of this project is to determine the condition of the Allentown Division interceptors, some of which were constructed in the 1930s. It is important as part of the regional Act 537 Plan development process to determine whether this aging infrastructure will be able to continue serving the City of Allentown through the planning period of 2050. Since the interceptors cannot be taken out of service for the inspection, this program will need to be well coordinated so the selected consultant, Arcadis, can enter the interceptor safely and efficiently. The project will be funded by the City of Allentown's Administrative Order fund.

Scott Bieber asked if this project and the manhole inspections will be conducted simultaneously to address the same areas at the same time. Mr. DePoe said both inspection projects will be coordinated as much as possible.

On a motion by Scott Bieber, seconded by Jeff Morgan, the Board approved the Capital Project Authorization: Allentown Division: 2023 Interceptor Inspections in the amount of \$88,000.00 which includes the Professional Services Authorization: Arcadis – 2023 Interceptor Inspections in the amount of \$53,000.00 (9-0).

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

Liesel Gross noted that all items for December have been addressed at today's meeting with the exception of the monthly financial and operations reports, which will be sent out separately by the end of the month.

### **STAFF COMMENTS**

Liesel Gross wished everyone a wonderful holiday season and thanked everyone for the support in 2022.

### **SOLICITOR'S COMMENTS**

Solicitor Gaul wished everyone a Merry Christmas.

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

None.

### **BOARD MEMBER COMMENTS**

Scott Bieber announced that his term is ending at the end of December 2022 and he will not be seeking another term. Mr. Bieber thanked everyone for the opportunity to serve on the Board. Liesel Gross stated that both Mr. Bohner and Mr. Bieber will be considered as current members of the Board until their replacements have been appointed by the County of Lehigh.

### **EXECUTIVE SESSION**

An Executive Session was held at 11:00 a.m. to discuss personnel matters.

### **ADJOURNMENT**

There being no further business, the Chairman adjourned the meeting at 1:42 p.m.

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Norma Cusick  
Assistant Secretary