

REGULAR MEETING MINUTES

June 26, 2023

The Regular Meeting of the Lehigh County Authority Board of Directors was called to order at 12:00 p.m. on Monday, June 26, 2023, 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, Amir Famili, Ted Lyons, Linda Rosenfeld, Norma Cusick, Jeff Morgan, and Sean Ziller were present for Roll Call, and remained for the duration of the meeting. Kevin Baker entered the meeting at 12:06 p.m.

Solicitor Michael Gaul of KingSpry was present along with Authority Staff, Liesel Gross, Ed Klein, Chris Moughan, Andrew Moore, Albert Capuzzi, Phil DePoe, Chuck Volk, 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 or additions to the agenda, and no Executive Session is planned.

APPROVAL OF MINUTES

June 12, 2023 Meeting Minutes

On a motion by Linda Rosenfeld, seconded Amir Famili, the Board approved the minutes of the June 12, 2023, Board meeting as written (7-0).

PUBLIC COMMENTS

None.

Spring Creek Pump Station Upgrades (Approval)

Chuck Volk and Amy Kunkel reviewed the project to upgrade the Spring Creek Pump Station and extend its life as recommended by an Electrical Condition Assessment performed by Keystone Engineering Group earlier this year. The variable frequency drives (VFDs) are 27 years old and hard to repair. There are non-electrical items such as replacement of access hatches and weir gates and installation of a manual gate in the interceptor channel to improve access for maintenance and emergency repairs.

Mr. Volk commented that functionality of the pump station is critical to avoid overflow of manholes downstream and to reduce the risk of failure. The regional Act 537 Plan that is currently under development will dictate what happens to this station in the long-term horizon, and this project is focused on near-term improvements that are needed to maintain current service levels. There was some Board discussion regarding the condition assessment and risk assessment.

On a motion by Linda Rosenfeld, seconded by Amir Famili, the Board approved the Capital Project Authorization for Design Phase in the amount of \$176,484.00 which includes the Professional Services Authorization to Borton-Lawson Engineering, LLC in the amount of \$119,484.00 (8-0).

MONTHLY FINANCIAL REVIEW

Ed Klein gave an overview of the May 2023 financial statements, highlighting variances between actual expenses and budgeted or forecasted expenses. Mr. Klein reported that all three funds are positive against the forecast. The Suburban Wastewater actual revenue forecast was decreased by \$2.5 million to account for an error in the preparation of the budget documents related to how interfund transfers are recorded. Mr. Klein will ensure this error is corrected in future budgets and explained that actual financial performance will be lower in 2023 as compared to the budget due to this error. There was some discussion regarding the error. Mr. Klein explained that the Authority's audit and financial statements are correct; however, the preparation of the budget document itself is based on a revenue model that predict sewer revenue based on complex intermunicipal agreements, and the model included a calculation error.

Mr. Klein reviewed criteria for evaluating potential refinancing for the Authority's remaining 2013A bonds, related the Allentown Water & Sewer Lease, which are callable in September 2023. More analysis of market conditions will be completed prior to determining if there is a benefit to refinancing in 2023.

MONTHLY SYSTEM OPERATIONS OVERVIEW

Andrew Moore reviewed the May 2023 Operations report and noted that water production is increased, which is typical for this time of year. Wastewater flows have been consistent with no increase or decrease. The total precipitation for May was 0.24 inches. In June, the Pa. Department of Environmental Protection issued a Drought Watch, and the Authority is requesting all customers reduce water usage by 5-10%. Mr. Moore presented photos from the project to rehabilitate Reservoir 1. Some discussion followed regarding permit compliance.

STAFF COMMENTS

Liesel Gross updated the Board on the Water Utility Council meeting at the recent American Water Works Association Conference. The Board commented that they appreciate the staff attending these conferences. Ms. Gross will provide the Board with information for the Pennsylvania Municipal Authorities Association conference coming up in September.

SOLICITOR'S COMMENTS

None.

PUBLIC COMMENTS / OTHER COMMENTS

None.

BOARD MEMBER COMMENTS

None.

EXECUTIVE SESSION

None.

ADJOURNMENT

There being no further business, the Chairman adjourned the meeting at 12:52 p.m.

Linda A. Rosenfeld
Secretary