

## **REGULAR MEETING MINUTES**

### **July 10, 2023**

Chairman Brian Nagle requested that Vice Chairman Amir Famili preside over today's meeting since Mr. Nagle is attending remotely. Vice Chairman Famili agreed.

The Regular Meeting of the Lehigh County Authority Board of Directors was called to order at 12:01 p.m. on Monday, July 10, 2023, Vice Chairman Amir Famili 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, Norma Cusick, Kevin Baker, Jeff Morgan, Sean Ziller, and Marc Grammes were present for Roll Call, and remained for the duration of the meeting. Ted Lyons entered the meeting at 12:03 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.

Vice Chairman Famili 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 Sessions planned. However, she requested that the order of the agenda items change so that the KISS Act 537 Planning item is addressed first.

#### **APPROVAL OF MINUTES**

##### **June 26, 2023 Meeting Minutes**

On a motion by Norma Cusick, seconded Ted Lyons, the Board approved the minutes of the June 26, 2023, Board meeting as written (8-0).

#### **PUBLIC COMMENTS**

None.

##### **KISS Act 537 Planning – Financial & Institutional Evaluation, Phase 2**

Liesel Gross provided an overview of the financial and institutional evaluation that must be completed as part of the Kline's Island Sewer System (KISS) regional Act 537 Plan. Phase 1 of the evaluation was authorized in December 2022. She introduced Rocky Craley, Zachary Green, and John Mastracchio from Raftelis, who completed the Phase 1 work, and invited them to give a presentation and summary of their work to date. Mr. Craley presented the scope of work for the Phase 1 financial and institutional evaluation, which was focused on compiling financial information from each KISS municipality to develop a high-level review of current and future rates based on broad preliminary assumptions about financing structure and capital projects that may be considered as part of the Act 537 Plan. He explained the data collection process and presented a conceptual model of how customer sewer rates would be impacted by the Act 537 Plan. He explained that each community's rate-making process is different and includes components of regionally-shared treatment costs as well as community-specific costs for managing their own collection systems and

administrative processes. Therefore, each community may be impacted differently by the Act 537 Plan. He reviewed a high-level model for determining affordability of current and future sewer rates.

There was some Board discussion about how the complexity of the existing intermunicipal agreements impact this analysis. Liesel Gross explained that reviewing the agreements is the next phase of work to be undertaken. Raftelis will be unable to accurately model the rate impact for each community until the cost-sharing methodology is worked out. The intermunicipal agreements are several decades old and do not address how costs would be shared for all the different types of projects that will be included in the Act 537 Plan.

Liesel Gross thanked Raftelis for their presentation and then reviewed the scope of work for Phase 2 of the financial and institutional evaluation. She explained the financial model developed in Phase 1 will be refined to allow for deeper analysis of how the Act 537 Plan costs could be shared. In addition, a specific review of the Authority's financing capacity under the terms of its existing charter and the Allentown Water & Sewer Lease Agreement must be completed so a financing plan for the Act 537 Plan projects can be developed. A key component of the Phase 2 work includes a series of workshops with the KISS municipalities to develop agreeable concepts regarding how future project costs will be shared, so that feedback can be incorporated into the financial model. Ms. Gross recommended authorization be granted for Raftelis to continue the work in Phase 2 based on their strong performance in Phase 1.

On a motion by Jeff Morgan, seconded by Norma Cusick, the Board approved the Capital Project Authorization for the KISS Act 537 Plan Financial & Institutional Evaluation, Phase 2 in the amount of \$209,442.00 which includes the Professional Services Authorization for Financial & Institutional Evaluation Services to Raftelis in the amount of \$174,442.00 (8-0).

### **LCA Strategic Plan – 2023 Quarterly Progress Report**

Liesel Gross provided a presentation to review highlights of the Quarterly Progress Report and the status of the strategic initiatives. She reviewed the background of the Strategic Plan, which was approved in December 2021. For the specific strategic initiatives selected for deeper focus in 2023, key milestones were identified, which are included in the quarterly report. During the presentation, Ms. Gross highlighted milestones that are not yet started but on target, in a "caution" status due to the need for a schedule adjustment, and "at-risk" milestones that may not be completed in the near-term future due to internal or external factors. She reviewed several major barriers the staff face in completing work on these strategic initiatives, including staff turnover both internally and within the consulting firms the Authority hires, new priorities identified throughout the year, and general underestimating the effort required to complete each of the selected initiatives. She noted the completing work on three largest initiatives – the regional Act 537 Plan, new asset management program, and the enterprise resource planning (ERP) software system implementation – are major cross-organizational programs being undertaken in parallel to one another. This creates significant strain on the staff. However, Ms. Gross stated there is strong internal support for these initiatives, and the report shows excellent progress on 80 percent of the 2023 milestones.

Ms. Gross reviewed the next steps in the planning process will include staff workshops to align strategies, priorities and resource requirements for the 2024 budget. She reminded the Board that the 2024 Budget will be presented in September and October and will include a review of any budget support that may be needed to continue progress on the Strategic Plan.

### **LCA Safety Program Review**

Ed Klein and Kevin German gave a presentation on the Authority's safety program. The overall goals of the program are to maintain a high safety awareness among employees, ensure a safe work

environment, and recognize and mitigate hazards. The 2023 goals related to safety are to implement the Employee Health and Safety (EHS) Steering Committee, improve incident investigations and reporting, improve safety metrics, and enhance employee on-boarding program related to safety training. Mr. German reviewed highlights of the current safety program and noted improvements made to the head protection, fall protection, and confined space programs.

Mr. Klein reviewed priorities of the EHS Steering Committee, including revamping the incident reporting forms and process, improving safety metrics, and specific program improvements for trenching and shoring, confined space, facility security, drug screening, and training. The committee is also reviewing and developing policies. He then reviewed current safety metrics for 2021, 2022, and 2023, including breakdowns of the safety incidents by different types such as vehicular incidents, employee injuries, first-aid incidents, and lost-time accidents. Kevin German reviewed the breakdown of insurance costs over the past three years.

There was Board discussion regarding the safety metrics and other program details, such as Arc Flash, training, reporting of near misses, site inspections, and contractor protocols for safety policy adherence. Ed Klein explained that many of these items will be addressed by the EHS Steering Committee over time, but the most critical piece to start with is ensuring the incidents are recorded and tracked properly so priorities can be identified.

### **Allentown Division – Large Meter Chamber Replacement**

Amy Kunkel gave an overview of the project to replace approximately 114 3-inch through 8-inch commercial water meter chambers that are greater than 10 years old or non-functioning. Core & Main, LP is an authorized dealer of the Sensus meters used in the Allentown Division for commercial meters and is listed on COSTARs as an approved service provider for meter equipment installation.

On a motion by Norma Cusick, seconded by Sean Ziller, the Board approved the Capital Project Authorization for Large Meter Chamber Replacement for the Construction Phase in the amount of \$181,210.00 which includes the Contract Award to Core & Main, LP Professional Service Contract in the amount of \$146,210.00 (8-0).

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

Liesel Gross reviewed the items in the report that are listed for the next meeting in July.

### **STAFF COMMENTS**

None.

### **SOLICITOR'S COMMENTS**

Solicitor Gaul announced that he will be absent from the July 24, 2023 meeting. He also commented that the Authority's progress on the Strategic Plan is commendable.

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

None.

### **BOARD MEMBER COMMENTS**

Ted Lyons commented about Board members' in-person attendance at the Authority meetings. He suggested more in-person attendance may be beneficial, but also stated he was unsure of how other

public organizations are handling their public meetings. Liesel Gross commented that many organizations are still conducting hybrid meetings such as how the Authority's meetings are conducted, and this seems to improve overall attendance by Board members and the public. Brian Nagle commented that to the extent Board members are available, in-person attendance is preferred.

### **EXECUTIVE SESSION**

None.

### **ADJOURNMENT**

There being no further business, the Chairman adjourned the meeting at 1:53 p.m.

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Norma A. Cusick  
Assistant Secretary