

## **REGULAR MEETING MINUTES**

### **August 14, 2023**

The Regular Meeting of the Lehigh County Authority Board of Directors was called to order at 12:00 p.m. on Monday, August 14, 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, Linda Rosenfeld, Jeff Morgan, Sean Ziller, and Marc Grammes were present for Roll Call, and remained for the duration of the meeting. Amir Famili and Ted Lyons entered the meeting at 12:01 p.m.

Attorney Mike Gaul of KingSpry, the Authority’s Solicitor, was present along with Authority Staff, Ed Klein, Chris Moughan, Andrew Moore, Albert Capuzzi, 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. He noted that there was a change to the agenda to the page numbers due to the addition of the Allentown Division Preliminary 2024-2028 Capital Plan. He then 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 other changes to the agenda. An Executive Session is planned after the regular meeting to discuss personnel matters.

#### **APPROVAL OF MINUTES**

##### **July 24, 2023 Meeting Minutes**

On a motion by Linda Rosenfeld, seconded by Sean Ziller, the Board approved the minutes of the July 24, 2023, Board meeting as presented (7-0).

#### **PUBLIC COMMENTS**

None.

##### **Allentown Division Preliminary 2024-2028 Capital Plan**

Liesel Gross provided an introduction to the Authority’s process for developing the Capital Plan (Plan), which is conducted annually. She noted the various Board approvals and public input process, and explained that today’s presentation is focused on the Allentown Division draft Plan for the 2024 to 2028 time period. The Suburban Division draft Plan would be presented at the next meeting. She reviewed key highlights of the Allentown Division Plan, which includes significant cost increases from prior five-year plans. Major drivers for the increases include inclusion of \$55 million for a lead service line replacement program; \$10 million for treatment of PFAS at the Water Filtration Plant (WFP); \$29 million for expanded programs to address inflow and infiltration in the sewer collection system; and \$20 million for wet-weather treatment capacity upgrades at the Kline’s Island Wastewater Treatment Plant (KIWWTP). She noted that some potential grant funding is included in the financial analysis for this Plan, but there is potential for more grants than noted in the Plan. She also explained that while this Plan represents a significant cost increase from prior plans, there are other costs not included related to the regional Act 537 Plan that is under development. The projects that are determined through the Act 537 Plan process will be incorporated into future plans.

Chuck Volk then presented the Allentown Division water and wastewater project details included in the Plan and detailed PowerPoint presentation. His presentation included a review of annual projects, smaller repair and rehabilitation projects, large projects, and new projects included for the first time in this year's Capital Plan. The new projects included: PFAS Compliance Planning & Upgrades, WFP Influent Channel Modifications, WFP Redundant Power Supply, Lead Service Line Replacement Program, and the KIWWTP Primary Sludge Digester Feed Line Replacement.

Ed Klein reviewed the financial analysis included in the Plan, noting water projects total \$117 million, and the wastewater projects total \$73 million. To fund the Plan, approximately \$33 million is expected in grant funding for the lead service line replacement program, \$6.9 million is expected from grants and reimbursements from the City of Allentown, \$96 million will be funded through current revenues or reserves, and \$55 million will be funded from new borrowing. He presented a simplified cash flow statement that indicates these funding sources will result in the Plan being fully funded and the Authority's key financial metrics related to cash balances and debt service coverage can be achieved.

Liesel Gross concluded the presentation with a review of the Plan's impact on water and sewer rates in Allentown, which are projected to increase 6 to 10 percent per year over the next five years. The current average residential water and sewer bill is \$808 per year, which may increase to about \$1,200 per year over the Plan period. This is a significant increase, which could be reduced somewhat if additional grant funding can be secured for selected projects. However, she also noted that the plan excludes several large projects that are expected to be recommended as part of the regional Act 537 Plan, which will be presented in 2024.

There was some Board discussion about the lead service line replacement program totaling \$55 million in the draft Plan, and the need to replace privately owned lead service lines. Liesel Gross explained that the program to replace lead service lines in the future will be shaped by the U.S. Environmental Protection Agency's upcoming Lead and Copper Rule update, which is expected to be published later this year. However, in the meantime, grant funding is available through the Infrastructure Investment and Jobs Act, which specifies that the funding must be used to replace both public and private lead service lines within the project area. If additional grant funding is received, then the privately owned lead service lines will continue to be included in the projects. If grant funding is not received or the new EPA rule provides new guidance on how these programs are to be run, the Authority may decide on a different approach.

There was additional Board discussion about the PFAS project for the WFP, what the project scope entails, and how the costs compare to other communities. Albert Capuzzi explained that the preliminary cost estimate of \$10 million was included in the Plan for the potential need to treat water drawn from Crystal Spring. If all sources entering the WFP need to be treated, the cost will be much higher. A study was authorized last month for the Authority to review the water source data and determine the most cost-effective approach to treating for PFAS. Liesel Gross added that grant funding is available for PFAS treatment through the IJA. To be conservative, no grant funding for this project was included in the Plan, but will be actively pursued to help reduce the cost impact to customers.

Liesel Gross reviewed the timeline for future presentations and public input, and noted that Plan approval will be requested in October.

### **North Whitehall Meter Replacement**

Amy Kunkel provided an overview of the project to replace and upgrade 616 older and non-functioning residential water meters in the North Whitehall Division. Meters in this system have been affected by manganese accumulation generated from the Authority's prior well sources. These water

sources have been abandoned and the North Whitehall system is now served exclusively through an interconnection with the Northampton Borough Municipal Authority. Therefore, there should be no continued issues with manganese within the system. The Authority will use the iPerl model of Sensus brand meters because they do not have any internal moving parts and any residual manganese in the system will not affect the meters operation and accuracy. Core & Main, L.P. Is the authorized distributor for Sensus meters and are listed on COSTARS as an approved provider for meter equipment and installation services.

The Board asked what the life expectancy is for the iPerl meters now that the source of the manganese has been removed. Amy Kunkel said they have a 20-year life expectancy.

On a motion by Linda Rosenfeld, seconded by Amir Famili, the Board approved the Capital Project Authorization for the North Whitehall Meter Replacement Project Construction Phase in the amount of \$283,905.00 which includes the Contract Award for the project to Core & Main, LP in the amount of \$243,905.00 (7-0).

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

Phil DePoe gave an overview of the project for the next phase of the inflow and infiltration removal in the City of Allentown system. The Trout Creek Interceptor has been identified as being undersized and subject to future sanitary sewer overflows during peak wet-weather events. The flow characterization study and system hydraulic modeling work has identified rainwater inflow via manholes as a primary driver for these conditions. Therefore, the Authority proposes to add the 1,800 manholes in the Trout Creek Interceptor drainage basin to the inspection program authorized in December 2022, which Arcadis is conducting. Mr. DePoe commented that there are funds available for this project within the 2023 capital budget.

All manhole inspections will be coordinated with Authority staff and Arcadis. All field data from the inspections will be uploaded to the Authority's Geographic Information System. The data being collected will be used to develop bid specifications for repairs to be conducted in 2024.

There was some Board discussion about the repairs to be conducted and how the Authority will ensure the expected inflow reductions will be achieved over the long-term horizon.

On a motion by Marc Grammes, seconded by Linda Rosenfeld, the Board approved the Capital Project Authorization for the Allentown Division 2023 Manhole Inspections at the Trout Creek Interceptor Basin in the amount of \$292,000.00 which included the Professional Services Authorization to Arcadis for Inspection Services in the amount of \$267,000.00 (7-0).

### **Heidelberg Heights Sanitary Sewer Consent Order & Agreement**

Chuck Volk gave an overview of the Heidelberg Heights Consent Order and Agreement to eliminate hydraulic overloads and bypasses at the Heidelberg Heights Wastewater Treatment Plant. Jason Peters presented an overview of the project to replace approximately 1,300 feet of 8-inch vitrified clay pipe and 10 residential sewer laterals in the system. Existing manhole structures will be re-used and new frames and covers retrofitted, watertight chimney wrap and watertight gaskets will be installed at manhole pipe connections.

The funding source for this project will be funded by the LCA Suburban Division, along with support provide through a \$75,000.00 grant from the state's Local Share Assessment program.

There was some Board discussion regarding the Consent Order and Agreement and the efforts needed to remove inflow and infiltration from the private side of the system. Andrew Moore noted

that while this is the last project to be conducted on the public side of the system, wet-weather plant bypasses continue, indicating continued problems with leaking sewer laterals and sump pumps. Overall, the volume of untreated sewage discharged from the system has decreased.

On a motion by Sean Ziller, seconded by Amir Famili, the Board approved the Capital Project Authorization for the Construction Phase in the amount of \$471,750.00 which includes the Construction Contract to Barrasso Excavation, Inc. in the amount of \$393,750.00 and a Professional Services Authorization to Keystone Consulting Engineers in the amount of \$48,000.00 (7-0).

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

Liesel Gross highlighted the items in the report that are listed for the next meeting in August.

### **STAFF COMMENTS**

Liesel Gross acknowledged the 10-year anniversary of the Authority's operation of the Allentown water and sewer systems under the terms of the Concession Lease Agreement with the City of Allentown that was executed in 2013. She thanked the staff and Board for their support along the way.

### **SOLICITOR'S COMMENTS**

Solicitor Gaul stated he is looking forward to reading the article in the PMAA magazine regarding the crocodile found at the Kline's Island Wastewater Treatment Plant.

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

None.

### **BOARD MEMBER COMMENTS**

None.

### **EXECUTIVE SESSION**

There will be an Executive Session at 1:45 p.m. to discuss personnel matters. No decisions will be made during this session.

### **ADJOURNMENT**

There being no further business, the Chairman adjourned the meeting at 1:33 p.m.

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Linda A. Rosenfeld  
Secretary