

REGULAR MEETING MINUTES

January 22, 2024

The Regular Meeting of the Lehigh County Authority Board of Directors was called to order at 12:00 p.m. on Monday, January 22, 2024, 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, Linda Rosenfeld, Norma Cusick, Kevin Baker, Jeff Morgan, and Sean Ziller were present for Roll Call, and remained for the duration of the meeting. Ted Lyons entered the meeting at 12:02 p.m.

Attorney Kevin Reid, the Authority's Solicitor, was present along with Authority Staff, Liesel Gross, Ed Klein, Chris Moughan, Andrew Moore, AJ Capuzzi, Phil DePoe, Chuck Volk, and Lisa Miller.

Chairman Nagle announced that the Board received their electronic and hard copies of the Board packet in advance. 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 changes to the agenda; however, she noted that the monthly financial report for December 2023 will be provided at a meeting in February. Also, an Executive Session is planned after the regular meeting to discuss a personnel matter.

APPROVAL OF MINUTES

January 8, 2024 Meeting Minutes

On a motion by Linda Rosenfeld, seconded by Sean Ziller, the Board approved the minutes from the January 8, 2024 meeting as presented (7-0). Brian Nagle abstained.

PUBLIC COMMENTS

None.

Resolution No. 1-2024-2: Allentown Water & Sewer Lease Bond Refinancing

Liesel Gross introduced Chris Gibbons of Concord Public Financial and Tim Horstmann of McNees, Wallace & Nurick, LLC to assist with the presentation and assist with any questions. Ed Klein gave a presentation that provided an overview and goals of the bond refinancing. The refinancing will provide interest savings, extend the maturity of the refunding debt to a more manageable level, and also provide \$55 million for capital projects. The savings realized for the refinancing is approximately \$2.6 million.

There was some Board discussion regarding federal rates and the impact it will have on the refinancing if those rates change.

Mr. Gibbons noted that the Authority will have an additional \$200 million of borrowing capacity for the future if needed. Liesel Gross commented that as the regional Act 537 Plan is being finalized, it is good to know that the additional borrowing capacity is available.

There was a brief discussion regarding arbitrage and how it works.

Solicitor Kevin Reid reviewed the Resolution, explaining that the Board is being asked to authorize the bond financing within certain parameters related to interest rates and debt service savings, to authorize the preparation of certain required documents for the financing, and to appoint officers who will be authorized to execute the documents associated with the financing.

On a motion by Norma Cusick, seconded by Amir Famili, the Board adopted Resolution No. 1-2024-2 (8-0)

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

Brian Nagle – yes
Amir Famili – yes
Ted Lyons – yes
Linda Rosenfeld – yes
Norma Cusick – yes
Kevin Baker – yes
Jeff Morgan – yes
Sean Ziller – yes

Water Filtration Plant: Emergency Power Design

Amy Rohrbach described the need to increase power reliability at the Water Filtration Plant (WFP) to avoid a power failure. Power to the WFP is currently fed by two electrical power feeds from the same PPL substation called the Central Allentown Substation. An Emergency Power Feasibility Study was conducted by Keystone Engineering in 2023 and recommended several options. The most cost-effective option is to add a PPL service line from the Mack Substation located south of the WFP. Once the new line is established, one of the redundant lines from the Central Allentown Substation will be removed.

There was some discussion regarding the redundancy of power to the WFP, the overall cost estimate of the project, and the cost of other alternatives that had been evaluated. Amy Rohrbach explained the feasibility study completed in 2023 also evaluated the option to install on-site back-up power generators at the WFP, and this option was discarded due to the high price and long lead times to receive equipment.

On a motion by Sean Ziller, seconded by Linda Rosenfeld, the Board approved the Capital Project Authorization for Design and Bidding Phase Services in the amount of \$67,212.00, which includes a Professional Services Authorization to Keystone Engineering Group in the amount of \$57,212.00 (8-0).

Kline's Island WWTP – Septage Receiving and Vacuum Truck Unloading Modifications

Amy Rohrbach described the current septage unloading station, which is located at the bottom of the access roadway ramp at the entrance of the Wastewater Treatment Plant. This location causes traffic obstruction issues as well as cleanup duties during any spills, which occur occasionally as a result of the current station design and condition. The proposed project will optimize and modernize the site, improve site safety and traffic flow, and allow for more efficient handling of the septage received. She reviewed the bids that were received, which included both a base bid and an alternate bid to include additional paving services. The same bidder provided the lowest bid for the base bid and the alternate, and the Authority recommends including the alternate paving work into the project.

Amir Famili asked if the Authority is generating revenue from the waste hauler program that would support the financial justification for the project. Andrew Moore stated that the revenue is

approximately \$70,000 to \$80,000 per year. He added that the current unloading location is very inconvenient for the staff and poses safety concerns as well due to the location of the station within the traffic flow pattern at the facility. He noted that the Authority maintenance crew uses the station very frequently as a location to unload materials collected from the sewer vacuum truck operation.

There was additional discussion regarding the location of the new station, to ensure no conflicts with future projects at the facility.

There was some discussion about the broad range of bids received. Amy Rohrbach explained that she did review the project in detail with the low bidder and is satisfied that the bid is complete.

On a motion by Norma Cusick, seconded by Jeff Morgan, the Board approved the Capital Project Authorization for the Construction Phase in the amount of \$442,027.00, which includes the Professional Services Authorization for Construction Engineering and Administration Services to D'Huy Engineering Inc. in the amount of \$54,700.00 and the General Construction Contract Award to PSI Pumping Solutions, Inc. in the amount of \$362,327.00 (8-0).

MONTHLY SYSTEM OPERATIONS OVERVIEW

Andrew Moore reviewed the December 2023 report and reported on the three safety incidents in December. Water production has slightly decreased, and wastewater has significantly increased due to the 8.6 inches of rain received. There was one Notice of Violation for non-payment of the Chapter 302 Water and Wastewater Operator Certification Service Fee. Mr. Moore explained that he is working on getting this rescinded because the permit is for a new pump station that is not yet installed. A complete description of bypasses and sanitary sewer overflows for the month of December was provided and reviewed. Most of the incidents were due to the wet weather. There was some Board discussion regarding the December 2023 safety incidents. Chairman Nagle stated he appreciates the extra details now included in the monthly report.

STAFF COMMENTS

Liesel Gross acknowledged Andrew Moore and his team and Chris Moughan and his team for keeping the systems up and running during the challenging weather patterns over the past couple of months. She also acknowledged that Kevin German will be retiring next month after almost 45 years of dedicated service to the Authority.

SOLICITOR'S COMMENTS

None.

PUBLIC COMMENTS / OTHER COMMENTS

None.

BOARD MEMBER COMMENTS

None.

EXECUTIVE SESSION

There will be an Executive Session at 1:13 p.m. to discuss a personnel matter.

ADJOURNMENT

There being no further business, the Chairman adjourned the meeting at 1:03 p.m.

Linda A. Rosenfeld
Secretary