

REGULAR MEETING MINUTES

June 23, 2025

The Regular Meeting of the Lehigh County Authority Board of Directors was called to order at 12:00 p.m. on Monday, June 23, 2025, 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. Amir Famili, Jeff Morgan, Ted Lyons, Linda Rosenfeld, Norma Cusick, Sean Ziller, and Peter Dent were present for Roll Call and remained for the duration of the meeting.

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

Chairman Famili announced that the Board received their electronic and hard copies of the Board packet in advance. A copy of the packet is also available online.

REVIEW OF AGENDA

Liesel Gross stated there are no changes or additions to the agenda. She noted that the Chairman has called for an Executive Committee meeting following the close of the regular meeting.

APPROVAL OF MINUTES

June 9, 2025 Meeting Minutes

On a motion by Sean Ziller, seconded by Linda Rosenfeld, the Board approved the minutes from the June 9, 2025 meeting as presented (7-0).

PUBLIC COMMENTS

None.

2024 Audit & Financial Statements

Nate Swartz from Zelenkofske Axelrod LLC was present to give an overview of the financial statements and auditor's report for the years ending 2023 and 2024. Mr. Swartz thanked Ed Klein and his staff for providing the information for the audit in a timely manner. He also noted that the statements from the Pennsylvania Municipal Retirement System (PMRS) were provided in a timely manner this year. Mr. Swartz said the Authority was given an unmodified, or clean, opinion on the Authority's basic financial statements, which is the highest level of assurance provided. He also noted there were no control issues, material weaknesses, or adjustments, no significant or unusual transactions noted, and no disagreements with management that needed to be brought before the Board. The audit complied with all legal and ethical requirements regarding independence during the engagement of the audit.

Ted Lyons asked Mr. Swartz to define OPEB. Mr. Swartz explained that the Authority provides post-retirement benefits in the form of health care and previously set up a trust to address the liability for post-retirement benefits for the Suburban Division. He noted that the fund is performing well and is well funded.

Ed Klein stated that with the implementation of Munis, it will streamline the reporting process and speed up the process of the audit.

On a motion by Linda Rosenfeld, seconded by Norma Cusick, the Board accepted the 2023 & 2024 Audit & Financial Statements (7-0).

Resolution 6-2025-1 Destruction of Authority Documents

Liesel Gross explained that the Resolution is a standard process whereby the Authority Board must formally approve the disposition of certain records in accordance with the Pennsylvania Municipal Records Act.

Jeff Morgan asked how files are handled for regulatory reporting and state and federal agency records. Liesel Gross said these records are also spelled out in the PA Municipal Records Act Manual. Andrew Moore added that those records are required to be kept for five or seven years. There was also some discussion regarding electronic records. Liesel Gross explained that the Authority does not have a system in place currently to retain or remove electronic documents.

On a motion by Jeff Morgan, seconded by Linda Rosenfeld, the Board approved Resolution 6-2025-1 (7-0).

MONTHLY FINANCIAL REVIEW

Ed Klein provided a presentation of the May 2025 Financial statements. He stated that the full year is forecasted to be better than the budget in all three funds. There was some Board discussion regarding key metrics and operating ratios. Ms. Gross explained that the operating ratios and metrics provided in the financial report show the health of the organization. The Board asked for a future refresher presentation to review the key metrics. Ms. Gross and Ed Klein said they would be happy to provide a refresher presentation. There was some additional discussion regarding debt service coverage ratio.

Jeff Morgan asked about the status of the bondholder issue with Pennvest. Ed Klein provided an update stating that the Authority will be taking more time to work through this. Kevin Reid commented that team members have done a good job at focusing on changes to the bond indenture that would be acceptable to Pennvest. The legal team from Pennvest is currently reviewing the Authority's suggested language.

MONTHLY SYSTEM OPERATIONS OVERVIEW

Andrew Moore reviewed the May 2025 report, noting there were no recordable or non-recordable safety incidents during the month. Mr. Moore commented on the 10.45 inches of rain received this month, which impacted every aspect of the organization. Wastewater flows were higher due to the amount of rainfall. However, Lehigh County remains under a Drought Watch. He also reviewed the Notice of Violation (NOV) for PFAS received for the Emmaus Consecutive Division. He noted that this will occur quarterly until the Borough of Emmaus completes the treatment upgrade planned for their water sources. He also reviewed the bypasses that occurred in the Heidelberg Heights system and the permit exceedances at Sand Spring due to the excessive rainfall and higher industrial flows. There was some discussion about the drivers for the NOV and corrective actions taken by the Authority.

STAFF COMMENTS

Liesel Gross thanked the Board for their support in the participation of some staff in the American Water Works Association annual conference. Ted Lyons asked if this is paid for by the Authority and must the Board approve it. Ms. Gross said that it is part of the Education and Training budget and accounting controls are in place. Ms. Gross informed the Board that the public notice related to the Kline's Island Sewer System Act 537 Plan will be published on Monday and the public comment period will be open for 30 days. She will keep the Board informed of any comments received.

SOLICITOR'S COMMENTS

None.

PUBLIC COMMENTS / OTHER COMMENTS

None.

BOARD MEMBER COMMENTS

Norma Cusick asked for the status of the recently acquired property on Brookside Road. Liesel Gross reported that this property is part of a Comprehensive Building Optimization Study. Preliminary review has indicated that certain upgrades are required before employees could be located there, but the building can be used for storage in the interim period until the study is complete. When the study is completed, she will update the Board.

Linda Rosenfeld asked when the interns started. Andrew Moore provided an update on the six interns that have recently started in various departments. Amir Famili asked if we have gotten any MBA interns. Mr. Moore said we have not, but we are planning on expanding the intern program for next year.

Amir Famili announced that the Executive Committee meeting will meet at 1:15 p.m.

EXECUTIVE SESSION

None.

ADJOURNMENT

There being no further business, the Chairman adjourned the meeting at 1:04 p.m.

Linda A. Rosenfeld
Secretary