

## **REGULAR MEETING MINUTES**

### **August 25, 2025**

The Regular Meeting of the Lehigh County Authority Board of Directors was called to order at 12:00 p.m. on Monday, August 25, 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. Kevin Baker entered the meeting at 12:02 p.m. and remained for the remainder of the meeting.

Liesel Gross announced that Marc Grammes resigned from the Board of Directors effective August 11, 2025.

Attorney Kevin Reid, the Authority's Solicitor, was present along with Authority Staff, Liesel Gross, Ed Klein, Chris Moughan, Andrew Moore, AJ Capuzzi, Charles Volk, Phil DePoe, Susan Sampson 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 to the published agenda; however, there will be an Executive Session after the close of the regular meeting to discuss personnel.

#### **APPROVAL OF MINUTES**

##### **August 11, 2025 Meeting Minutes**

On a motion by Linda Rosenfeld, seconded by Ted Lyons, the Board approved the minutes from the August 11, 2025 meeting as presented (7-0).

#### **PUBLIC COMMENTS**

None.

##### **Targeted Staffing Assessment**

Liesel Gross provided an introduction to the topic, noting that the Authority has many staffing needs due to the addition of required programs such as the lead service line replacement program and comprehensive sewer system rehabilitation requirements. EMA was hired to conduct an assessment and provide recommendations for staffing approaches for selected areas within the organization. She introduced Celia Gould and Ryan Moreau from EMA. The four programs included in the study are the lead program, inflow and infiltration (I&I) source reduction program, asset management and capital works, and finance and affordability. Ms. Gould and Mr. Moreau provided an overview of EMA's approach, which includes a review of organizational, process, and technology requirements to support each program area.

Amir Famili asked what methodology was used for this project to fully review existing processes to ensure a continuous improvement approach. Liesel Gross commented that the four programs

selected for the study are brand-new programs, and so there is not a lot of data available about current practices or processes.

Ryan Moreau noted that the overarching observations discovered during the assessment were: the Authority's use of many non-integrated systems, inconsistent data accessibility and quality, lack of software purchasing governance, unstructured training and change management approaches, and limited SOPs on how systems should be used. A Technology and Data Master Plan was recommended.

The major recommendation for the asset management and capital works area is to develop project success criteria as an evolution of current Project Excellence program, with stronger focus on measuring project adherence to schedule, budget, and scope. AJ Capuzzi reported that Procore project management system is in place and currently being populated with project data. He will be working on narrowing down the available metrics and standardizing the project management process.

The recommendation for additional staffing for the lead service line replacement program is to add a Lead Program Administrator to serve as a single point of contact to address tactical questions and support community outreach for the program. In addition, an additional five Utility Technicians are recommended to be hired to support the program. The current lead program workload has impacted the Authority's ability to achieve required maintenance schedules, and large volumes of overtime has impacted both cost and employee well-being.

For the I&I Program, it was noted that the regional Act 537 Plan will be submitted to DEP in October, and feedback from DEP is expected to be received in 2026, which will provide more clarity in terms of the acceptable scope and pace of the I&I program. EMA analyzed current I&I projects and noted the Authority's contractors are using approximately 10 full-time equivalents to complete work that the Authority staff may be capable to complete more cost-effectively. The initial recommendation is to add three Utility Technicians to the Authority's roster to develop internal processes and support additional cost-analysis during an interim period while DEP is reviewing the Act 537 Plan. EMA also recommends using the current sanitary sewer evaluation study pilot to guide program strategy and consider additional in-sourcing after DEP direction is finalized and costs are updated. There was some Board discussion on the cost analysis data provided and whether the near-term staffing additions were justified.

To address the Authority's finance and affordability program concerns, EMA recommended extending capital planning to 20 years and include projections of future rates and operation increases. In addition, while converting to a monthly billing frequency may be beneficial for household budgeting, it does not actually reduce the cost burden for low-income households. Before deciding to move to monthly billing, the Authority may wish to investigate options to provide installment billing features for customers who would benefit from that approach. There was Board discussion regarding the cost of implementing monthly billing and the technology available to support it. EMA recommended adding one position to support the finance and affordability area, which would be a Business/Rate Analyst to support the pursuit of grants and other funding, consolidate rate-setting functions, and support other business analyses current under way or planned related to affordability.

Amir Famili asked for a summary of the new positions recommended by EMA. Liesel Gross noted that two positions – the Lead Program Administrator and the I&I Engineer – are new positions that would take the place of existing budgeted positions, so they are budget neutral. Nine additional positions are included in EMA's recommendations, primarily to support the near-term needs of the lead and I&I programs.

Ms. Gross concluded the presentation by noting that this assessment will be helpful in budget planning, and any Board comments or questions should be directed to her. EMA stated that a final report will be provided to the Authority in the coming weeks.

### **2026-2030 Suburban Division 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 Suburban Division draft Plan for the 2026 to 2030 time period. She provided a timeline for future presentations and public input and noted that Plan approval will be requested in October. This year's five-year plan has decreased from the prior five-year plan. The key driver for the change in the Plan is the cost of the Pretreatment Plant Long Term Upgrades, which will be phased in over a 10-year period. She noted there are some major differences from the Allentown Division plan that are not included in the Suburban Division plan such as the Lead Service Line Replacements and the pass-through costs from Allentown, which will show in future rates via cost-sharing agreements. She also explained that the regional Act 537 Plan costs are reflected in the Suburban Division Capital Plan, but noted that most of the larger projects included in the Act 537 Plan in the next five years will occur in the Allentown Division. Future capital plans will be revised based on the final Act 537 plan reflecting updated cost-sharing approaches with customers and municipalities.

Chuck Volk then presented the Administration Capital plan highlights included in the Plan and noted there is a Security Upgrade/Disaster Recovery project included in the plan. He also noted that the new Munis Implementation project has been completed and a new project, the City Distribution and Collection Building Improvements has been added in the 5-year plan. He then presented the Suburban Division water and wastewater project details included in the Plan via a detailed PowerPoint presentation. His presentation included a review of annual projects, system improvement projects, and new projects included for the first time in this year's Capital Plan. The new projects include: Small Systems Generator Replacement, Leak Detection Program, and Lead Inventory Program. The Pretreatment Plant projects in the five-year plan include critical upgrades and replacement projects. These projects are contingent upon the current industries in the service area agreeing to participating in the project.

Ed Klein reviewed the financial analysis included in the Plan, noting water projects total \$38 million and the wastewater projects total \$39 million. He presented a cash flow statement showing the funding sources and potential revenue impacts.

Liesel Gross concluded the presentation with a recap of the Plan noting that there is an overall decrease of \$34 million from the previous plan primarily driven by the revision of the Pretreatment Plant replacement/upgrade strategy. However, there are a lot of unknowns regarding that project. The rate impacts are modest but have not yet captured the pass-through of project costs from the Allentown Division. Also, the Act 537 plans will increase the capital plans when finalized in the future. The final review process will take place before Board approval is requested in October.

### **Suburban Division – 2025 Water Meter Replacements**

Amy Kunkel provided an overview of the 2025 Meter Replacement project that consists of replacing approximately 1,679 residential and commercial water meters throughout the Suburban Division. The equipment and installation are being procured through COSTARS.

On a motion by Linda Rosenfeld, seconded by Ted Lyons, the Board approved the Capital Project Authorization for the Construction Phase in the amount of \$592,043.00 which includes the contract award to Core and Main, LP in the amount of \$552,043.00 (8-0).

### **Suburban Division – Industrial Pretreatment Plant Master Plan**

Liesel Gross provided a presentation reviewing the financial and legal structures associated with the Industrial Pretreatment Plant (PTP). She noted that there are significant upgrades needed due to age and risk of failure, and the Authority is evaluating various engineering options to allow the Authority to continue serving the needs of the industries and waste haulers who use the PTP. Ms. Gross provided key highlights of the timeline of the PTP, noting that the plant is a contributed asset, which limits capital cost recovery via tapping fees. She also provided details of the drivers for the backlog of capital investments including human components, and revenue and contractual constraints.

There was some discussion regarding costs related to contract operations.

Ms. Gross noted other constraints including limited borrowing capacity and lack of tapping fee revenue. Linda Rosenfeld asked if a new facility is built, will all the current industries continue to flow to the PTP to utilize the Authority's services. Ms. Gross said that Boston Beer and Ocean Spray have already started on their own pretreatment plant facilities, which was more cost-effective for them. A new engineering evaluation is being conducted to develop options for the future of the PTP after the removal of Boston Beer's flows and loadings. There was some additional discussion about the hydraulic capacity of the plant and how eliminating Boston Beer's flows may help to reduce the plant upgrade costs.

Ms. Gross explained that in addition to the engineering evaluation, which will be reviewed with the Board in September, it will be important for the Authority to secure financing agreements with the remaining industries, as well as potential municipal partners. There was some discussion regarding the risks and cost constraints of the project. Amir Famili commented on the challenges of securing commitments from the industries to contribute financially toward the PTP upgrade.

### **Allentown Division – Kline's Island WWTP – Wet Weather Improvements – Phase 1**

Chuck Volk provided an overview and background of the Kline's Island Wastewater Treatment Plant (KIWWTP) Wet Weather Treatment Improvements project that will increase plant pumping capacity to 100 million gallons per day during peak flow events. He noted the need for some out-of-scope value-added improvements that the Authority would like to be included in the design. Amy Rohrbach provided details about the project and explained the eight additional items to be added to the design scope. She explained the City of Allentown has reviewed the proposed changes and is in agreement to add these items to the project scope.

There was some discussion regarding the plan described by Ms. Rohrbach for a portion of the flows to bypass the rock media trickling filters during wet weather events. Andrew Moore explained the biological treatment process at the KIWWTP, which includes two different sets of trickling filters. During a peak flow event, the plastic media trickling filters and rock media trickling filters can be used in parallel to achieve full biological treatment as required by the permit.

On motion by Peter Dent, seconded by Sean Ziller, the Board approved the Professional Services Authorization Amendment to Kleinfelder, Inc. in the amount of \$253,090.00 (8-0).

### **MONTHLY FINANCIAL REVIEW**

The July 2025 Financial Statements will be distributed separately at a later date.

**MONTHLY SYSTEM OPERATIONS REVIEW**

Andrew Moore reviewed the July 2025 report, noting there was one recordable injury accident where an employee injured their hand and wrist. There was also a non-recordable injury where an employee pinched a finger. There was a property damage incident where a tree fell onto a fence causing significant damage. Amir Famili asked if we have GSA certifications for all the equipment and how often the equipment is checked prior to an employee using it. Chris Moughan stated that the Authority's equipment is not certified but is on a routine inspection schedule conducted by Authority staff including the Safety Manager. Mr. Moore then reviewed other system operational data in the report, including a review of a notice of violation received from the City of Allentown related to bypasses at the Kline's Island WWTP in April and June 2025. He also noted a boil water advisory was issued in July for three customers who were affected by a water main break in Allentown.

**STAFF COMMENTS**

None.

**SOLICITOR'S COMMENTS**

None.

**PUBLIC COMMENTS / OTHER COMMENTS**

None.

**BOARD MEMBER COMMENTS**

None.

**EXECUTIVE SESSION**

An Executive Session will be held following the close of the regular meeting to discuss personnel.

**ADJOURNMENT**

There being no further business, the Chairman adjourned the meeting at 2:53 p.m.

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Linda A. Rosenfeld  
Secretary