

## **REGULAR MEETING MINUTES**

### **May 20, 2019**

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The Regular Meeting of the Lehigh County Authority was called to order at 12:00 p.m. on Monday, May 20, 2019, Chairman Brian Nagle presiding. Other Members present at the commencement of the meeting were: Jeff Morgan, Richard Bohner, and Ted Lyons. Authority Staff present were Liesel Gross, Brad Landon, Ed Klein, Pat Mandes, John Parsons, Chris Moughan, Sue Sampson, Todd Marion, Phil DePoe, Jason Peters and Lisa Miller.

Chairman Nagle announced that since there is no quorum, only discussion items will be discussed. When Scott Bieber, scheduled to arrive at 1:00 PM, is in attendance, the Board will continue with the agenda items that require approval.

#### **REVIEW OF AGENDA**

Chairman Nagle announced that today's Board meeting is being videotaped and streaming live and recordings will be posted to the Authority's website.

Chairman Nagle noted the Agenda will be in a different order due to the lack of a quorum and there will also be an Executive Session to discuss potential litigation.

Liesel Gross stated that official Minutes of the meeting will be taken even though there is no quorum.

#### **PUBLIC COMMENTS**

None.

#### **ACTION AND DISCUSSION ITEMS**

Chairman Nagle announced that the Board received their packet in the mail prior to the meeting.

#### **2018 Audited Financial Statements**

Ed Klein introduced Nate Schwartz and Mike Sampson from Zelenkofske Axelrod LLC to discuss and give an overview of the 2018 Audited Financial Statements. Mr. Sampson explained that the Authority had to adopt three new GASB pronouncements, GASB Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions", GASB Statement No. 85 "Omnibus 2017" and GASB Statement No. 86 "Certain Debt Extinguishment Issues". Mssrs. Sampson and Schwartz answered questions and there was discussion from Board members.

Mr. Schwartz thanked Ed Klein and his staff for their quick turn over of the information and gave a brief overview of the financial statements.

Jennifer McKenna, City of Allentown, Office of Compliance questioned the increase of the equivalent fulltime employees from 2016 to 2018 and wanted to know how many of them were City employees. Ed Klein responded that employee increase was due to an increase in staff both in the Suburban Division and the City Division as well as a fair number in administrative positions the cost of which get divided between both divisions. Liesel Gross commented that at the end of 2015, the Authority had an early retirement incentive, and that the Authority has slowly been rebuilding staffing levels since that time.

Liesel Gross stated that Ed Klein has a 2018 Year-In-Review financial statement presentation that will be held when there is a full quorum at the next meeting.

### **Well NL6 – North Whitehall Divisions Water Supply**

Liesel Gross provided a PowerPoint for discussion and gave a background of the water supply issues in the North Whitehall Division. The system, which serves about 950 customers, is comprised of a series of smaller developer-built systems. Some of the wells have been impacted by high levels of manganese naturally occurring in this area. The system has been challenging to operate requiring monthly system flushing to remove the manganese build up in the water lines.

The Environmental Protection Agency (EPA) has established a lifetime health advisory for manganese of 0.3 milligrams per liter and well NL6 has recently tested at 0.332 milligrams per liter. Ms. Gross suggested that since 86% of the water comes from Northampton Borough Municipal Authority (NBMA) currently and NBMA has significant excess capacity available, the Authority management proposes to shut down and replace NL6 with water from NBMA system. By doing this, it would eliminate the high levels of manganese, achieve water quality compliance in advance of new regulations for manganese, and also provide more consistent fluoride levels throughout the system. The cost to purchase the additional water supply would be approximately 5%. There was some Board discussion.

The next steps are to communicate with the public about the manganese and the discontinuance of Well NL6 and purchase the additional water from NBMA. Moving forward may require the revision of the agreement with NBMA and an evaluation of capital improvements to increase redundancy of the system. Any changes in the agreement will be brought before the Board for discussion.

### **MONTHLY FINANCIAL REVIEW**

Ed Klein presented a PowerPoint presentation of the April 2019 financial report, highlighting variances between budgeted expenses and actual or forecasted expenses.

### **MONTHLY SYSTEM OPERATIONS OVERVIEW**

John Parsons reviewed the Monthly System Operations Overview report for April 2019 which included a status report of the Western Lehigh Interceptor High Flow Emergency Project as of May 10, 2019. The rain has delayed Phase 1 by almost two weeks. Chairman Nagle asked about the bypasses at Heidelberg Heights WWTP. Pat Mandes stated that it is being chlorinated. Liesel Gross stated that the Corrective Action Plan has been submitted to DEP and the Authority is awaiting response from DEP.

### **STAFF COMMENTS**

Liesel Gross informed the Board that on Wednesday, May 23<sup>rd</sup>, the Lehigh County Board of Commissioners has the Ordinance for the Authority's Articles of Incorporation on both their Governance Committee meeting agenda and their full Board of Commissioners meeting agenda for review. The full vote is expected in June. Ms. Gross also informed the Board that she will be attending the 2019 American Water Works Association (AWWA) annual meeting in June where she will mark the end of her term on the Board of Directors. Ms. Gross will remain active on other AWWA committees.

### **SOLICITOR'S COMMENTS**

None.

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

None.

Chairman Nagle called a recess at 12:58 p.m. The meeting reconvened at 1:10 p.m.

### **EXECUTIVE SESSION**

An Executive Session was held at 1:10 p.m. to discuss potential litigation.

Scott Bieber arrived at 1:25 p.m.

The Executive Session ended at 1:25 p.m.

Chairman Nagle called the second part of the regular meeting to order at 1:26 p.m. with a quorum.

### **APPROVAL OF MINUTES**

#### **May 13, 2019 Regular Meeting Minutes**

On a motion by Richard Bohner, seconded by Scott Bieber, the Board approved the minutes of May 13, 2019 meeting (5-0).

Chairman Nagle asked if anyone had any questions regarding the 2018 Audited Financial Statements to which there was none. On a motion by Ted Lyons, seconded by Richard Bohner, the Board accepted the 2018 Audited Financial Statements (5-0).

#### **Suburban Division – Water Main Replacement Program Cycle 5**

Jason Peters gave an overview of the project to replace aging and failing infrastructure to prevent excessive leakage or disruptive water main breaks that can impact our customers. Cycle 5 of the project includes 1.41 miles of water main replacement in Lower Macungie Township. Mr. Peters is asking for Board approval of the Capital Project Authorization – Construction Phase, Cycle 5 in the amount of \$2,211,226.00 which includes the Professional Services Authorization, Cycle 5 for Construction Engineering, Management and Inspection Services, Amendment No. 2 to Gannett Fleming Inc. in the amount of \$130,000.00 and Contract Award, Cycle 5 for General Construction to JOAO & Bradley Construction Co. Inc. in the amount of \$1,821,226.00.

On a motion by Ted Lyons, seconded by Richard Bohner, the Board approved the Capital Project Authorization – Construction Phase, Cycle 5 in the amount of \$2,211,226.00 which includes the Professional Services Authorization, Cycle 5 for Construction Engineering, Management and Inspection Services, Amendment No. 2 to Gannett Fleming Inc. in the amount of \$130,000.00 and Contract Award, Cycle 5 for General Construction to JOAO & Bradley Construction Co. Inc. in the amount of \$1,821,226.00 (5-0).

Chairman Nagle called a recess at 1:31 p.m. Jeff Morgan left at 1:31 p.m. The meeting reconvened at 1:35 p.m.

### **EXECUTIVE SESSION**

An Executive Session was called at 1:35 p.m. to discuss personnel.

The Executive Session ended at 2:40 p.m.

**ADJOURNMENT**

There being no further business, the Chairman adjourned the meeting at 2:40 p.m.

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Richard H. Bohner  
Secretary