

REGULAR MEETING MINUTES

November 13, 2017

The Regular Meeting of the Lehigh County Authority was called to order at 12:02 p.m. on Monday, November 13, 2017, Chairman Brian Nagle presiding. Other Members present at the commencement of the meeting were: Linda Rosenfeld, Jeff Morgan, Richard Bohner, Norma Cusick, Scott Bieber, and Ted Lyons. Authority Staff present were Liesel Gross, Brad Landon, Ed Klein, Pat Mandes, Chuck Volk, Chris Moughan, John Parsons, Susan Sampson, Andrew Moore, Amy Kunkel and Lisa Miller.

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.

Liesel Gross noted there are no Agenda changes but there will be an Executive Session at the end of the regular agenda to discuss potential litigation. Scott Bieber announced he will need to leave the meeting at 1:45 p.m. Jeff Morgan announced that he will need to leave the meeting at 2:00 p.m.

APPROVAL OF MINUTES

October 23, 2017 Regular Meeting Minutes

Richard Bohner suggested a few corrections for grammar, spelling, and the addition of a vote score.

Kevin Baker arrived at 12:05 p.m.

On a motion by Richard Bohner, seconded by Norma Cusick, the Board approved the Minutes of the October 23, 2017 meeting as corrected (7-0). Ted Lyons abstained.

PUBLIC COMMENTS

None.

ACTION AND DISCUSSION ITEMS

2018 Water & Wastewater Rate Schedules

Liesel Gross provided the 2018 water & sewer schedules of rates and charges along with the handout of the summary of results from the Suburban Water Rate Study prepared by Dave Busch of Keystone Alliance Consulting. She explained that the rate study results are incorporated into the proposed 2018 schedule of rates and charges. She noted that the Suburban Water Rate Study projected rates for 2018 through 2022, but additional "what if" scenarios will be evaluated to complete the study for the 2019 through 2022 rates. Scenarios to be evaluated will include varying levels of pay-as-you-go funding for capital improvements, along with incorporation of preventive maintenance strategies into the operating expenses for years 2019 through 2022. She also highlighted that the study included incorporating the two remaining small water systems, Upper Milford Central Division and Madison Park North Division, into the common rate structure, which is being proposed to be completed in 2018.

In addition to the Suburban Water Rate Study results, the packet of proposed rates incorporates the rates discussed during the budget process for the Allentown Division water and sewer rates, and the Western Lehigh sewer signatory rates.

Ms. Gross asked for approval of the 2018 rate schedules as presented and noted the Staff will come back with a resolution for the tapping fees, meter fees and other customer facility fees at a later date.

Chairman Nagle pointed out the significant decrease in Administrative Order (AO) Fees under the City of Allentown wastewater rates and asked for an explanation. Ms. Gross explained that the AO fee is the charge that is applied to the customer bills in Allentown and is collected by the Authority and then turned back to the City to pay their debt service for bonds they have issued on AO projects. The reason that it is decreasing in 2018 is because the 2017 rate included some pay-as-you-go capital improvements into the fee and in 2017 the City issued their first set of bonds, so the 2018 rate is decreased to reflect only the debt service portion and no additional pay-as-you-go capital expenses.

On a motion by Norma Cusick, seconded by Kevin Baker, the Board approved the 2018 Water & Sewer Rate schedules (8-0).

Suburban Division – Spring Creek Pump Station

Chuck Volk gave an overview of the Spring Creek Pump Station project that consists of the installation of a comminutor in the wet well to replace existing bar screens, new weir gates automated by ultrasonic level detectors, and upgrades to the SCADA system. Mr. Volk is asking for approval of the Capital Project Authorization for the Construction Phase in the amount of \$412,333.00 which consists of award of the Construction General contract to Blooming Glen Contractors, WW in the amount of \$156,093.00, and award of the Construction Electrical contract to A. N. Lynch Co., Inc. in the amount of \$180,000.00, and the Professional Services Authorization for the Construction Phase Engineering to JMT, Inc. in the amount of \$11,240.00.

Jeff Morgan asked about the Authority's SCADA system and its ability to interconnect operations of multiple facilities. Mr. Volk explained that all stations are SCADA enabled and monitored. Liesel Gross added that the SCADA upgrades will help the Authority to move toward having an automated wet weather control logic in place for all facilities that deal with wet weather issues. Chris Moughan explained the Authority is upgrading about three stations per year that are currently not on the SCADA system, with approximately a dozen or so stations remaining to be upgraded.

Linda Rosenfeld questioned the difference between *miscellaneous* and *contingency* on the authorization sheet. Mr. Volk explained that *contingencies* are used for unforeseen costs that may arise during construction. *Contingencies* require a change order and are budgeted at 10% of the bid. *Miscellaneous* is for additional services that are not part of the contract. The Board suggested using only one contingency item in future authorizations, and removing the miscellaneous cost item, to which Mr. Volk agreed.

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 \$412,333.00 which consists of award of the Construction General contract to Blooming Glen Contractors, WW in the amount of \$156,093.00, and award of the Construction Electrical contract to A. N. Lynch Co., Inc. in the amount of \$180,000.00, and the Professional Services Authorization for the Construction Phase Engineering to JMT, Inc. in the amount of \$11,240.00 (8-0).

Wastewater Rules & Regulations

Brad Landon explained the changes to the *Rules & Regulations for Sewerage Service*. The purpose of the proposed change is to establish administrative guidelines in regard to wastewater allocations in the satellite wastewater systems similar to those used in the Western Lehigh Interceptor-connected systems. This update will ensure consistent application of wastewater allocation procedures across all service areas.

On a motion by Linda Rosenfeld, seconded by Ted Lyons, the Board approved the update to the *Rules & Regulations for Sewerage Service* (8-0).

USEPA Administrative Order – Update

Liesel Gross updated the Board regarding the actions planned through the end of 2017 to comply with the Administrative Order to eliminate sanitary sewer overflows, including submission of a capital improvements plan for the Western Lehigh Interceptor and related facilities. She reviewed the efforts over the past two years to develop agreements with the municipal signatories related to sharing costs for capital improvements based on their peak-flow contributions, noting that these efforts have not been successful and no Board action will be needed to approve any new agreements. On behalf of the Authority at the Western Lehigh Sewerage Partners, an implementation plan is being developed for submission to EPA by the December 31, 2017 deadline and will be reviewed with the Board at the December 11, 2017 meeting. The plan will focus on signatory work for removal of leakage from the sewer system and the Authority's work to upgrade the Park Pump Station and other related interceptor projects.

Ms. Gross noted that the design work for the City of Allentown wastewater treatment plant improvements, including blending, is moving forward, and the Authority has lead efforts to complete legislative and regulatory outreach on this issue as discussed at a prior Board meeting. The City plans to submit a permit application to the Pa. Department of Environmental Protection at 30% design completion to seek formal feedback from regulators on the blending option. The Board expressed concerns about receiving feedback on a plan being submitted based on 30% design, to which Ms. Gross explained that this is standard practice and may result in receiving useful feedback from the regulatory agency earlier.

Norma Cusick questioned the work that has been ongoing in other townships and boroughs regarding removal of inflow and infiltration. Ms. Gross explained that the Authority has not been receiving regular reports from the other municipalities outside of the Western Lehigh Sewerage Partners on the work they are completing; however, since all municipalities must submit a plan to EPA by the end of the year, it is expected all information will be shared at that time.

Industrial Pretreatment Program Overview

Pat Mandes introduced Andrew Moore, Manager of Industrial Waste for the Authority. Mr. Moore was present to give an overview of an EPA mandated Industrial Pretreatment Program (IPP) and provide specifics of the program at Kline's Island by presenting a PowerPoint presentation.

The Board questioned what would happen to the regulations on the Pretreatment plant if the EPA is dissolved. Pat Mandes explained that even if EPA no longer existed, the regulations would remain and would be enforced by the Authority based on City ordinances that are in place because it is important to the system to control these kinds of industrial wastes.

Norma Cusick asked about the term of "categorical" waste and asked if that term would apply to hospital waste. Mr. Moore explained that hospitals are not classified by EPA as "categorical" dischargers, but are still enrolled in the IPP program and are required to have permits because of the volume of their discharges.

MONTHLY PROJECT UPDATES/INFORMATION ITEMS

Liesel Gross noted that since there are no action or discussion items for the November 27, 2017 meeting, the Board may want to consider cancelling the meeting. The Board agreed to cancel the November 27, 2017 meeting. Ms. Gross noted that the monthly Financial report and System Operations report for October 2017 will be provided and posted to the website to stay on track with reporting. Ms. Gross pointed out that the monthly project update has been changed to include sewage planning modules reviewed under the Developments portion of the report under Finance & Administration – Information Items.

STAFF COMMENTS

None.

SOLICITOR'S COMMENTS

None.

PUBLIC COMMENTS / OTHER COMMENTS

None.

Chairman Nagle called a break at 1:17 p.m. The meeting reconvened at 1:23 p.m.

EXECUTIVE SESSION

An Executive Session was held at 1:23 p.m. to discuss potential litigation. The Executive Session ended at 2:28 p.m.

ADJOURNMENT

There being no further business, the Chairman adjourned the meeting at 2:28 p.m.

Richard H. Bohner
Secretary