

WORKSHOP MEETING MINUTES

February 14, 2011

The Workshop Meeting of the Lehigh County Authority was called to order at 12:20 p.m., on Monday, February 14, 2011, Chairman Asa Hughes presiding. Other Members present at the commencement of the meeting were: Thomas Muller, Brian Nagle, Emrich Stellar, Norma Cusick, and Scott Bieber. Authority Staff present were: Aurel Arndt, Doug Young, Bradford Landon, Frank Leist, Patricia Mandes, Liesel Adam, and Cristin Keppel.

Stan Chilson from CET Engineering Services was also present.

Agenda Review

Mr. Arndt stated there would be three additional items following the regular agenda, one of which will be held in Executive Session.

Appointment of Nominating Committee

Mr. Muller was appointed by Mr. Hughes as a single member nominating committee to present a slate of officers at the February Board meeting. Mr. Muller accepted the appointment and asked that if Board members presently serving as officers did not wish to continue in those offices, that they should let him know.

Mr. Hughes also appointed Messrs. Stellar and Nagle to the 2011 Audit Committee.

WTP Biogas Usage Evaluation *(Discussion)*

Ms. Mandes stated that in October 2010, a contract was awarded to CET Engineering to perform an energy evaluation and related services for the 3 smaller wastewater plants and the Wastewater Treatment Plant (WTP). She noted that she and Mr. Leist have been working together on this project and the work is broken down into two phases. The first phase is an economic analysis of the biogas production and Phase 2 is the energy efficiency study. Ms. Mandes stated the Phase 1 work is complete and today's discussion will focus on the WTP biogas evaluation. She explained that the information provided gives a good background on biogas and combined heat and power generation (CHP). Ms. Mandes then said that the WTP has anaerobic digesters which use micro-organisms in the absence of air to break-down organic material and produce biogas. This gas is primarily made up of methane and carbon dioxide gases. Phase 1 of the study focused on the best use of this valuable biogas. The options are to sell the biogas to Kraft Foods for operation of a boiler or to utilize the gas at the treatment plant for CHP. The CET study was completed by Stan Chilson who presented the results of the evaluation.

Via the attached presentation (Presentation 1), Mr. Chilson reviewed the results in the engineering report that was distributed to all Staff and Board members. He highlighted the benefits of both options. Extensive discussion followed.

Mr. Chilson left the meeting at 1:50 pm.

2011 Budget Amendments *(Approval)*

Mr. Young explained that a \$3,500 addition to the internal service budget is needed because a project audit is required by Pennworks on the \$2,000,000 grant the Authority received for the Tillage Road well field development and the Wells 8 and 12 upgrade projects in 2006.

On a motion from Mr. Bieber, seconded by Ms. Cusick, the Board unanimously approved the 2011 budget amendment for and addition of \$3,500 for Audit Services (6-0).

Wastewater Service Summary (Discussion)

Mr. Arndt referred to the attached slides (Presentation 2) to review the ongoing wastewater service needs with Board members. He reminded the Board of the growing user needs for additional capacity in Western Lehigh Interceptor service area (WLI); specifically noting that additional capacity is required for any large industrial users to consider locating their business in the service area. Mr. Arndt stated that reallocation of the current capacity has been requested by the WLI municipalities and the brewery to provide interim allocations while a long-term solution is pursued.

Ms. Mandes referred to a separate presentation (Presentation 3) regarding the status of the Authority's current inflow and infiltration (I/I) program. She highlighted the regulatory drivers behind the I/I program, including the 2009 EPA Administrative Order to eliminate sewer system overflows (SSOs) by 2014 and PA-DEP's future planning module denials. Ms. Mandes also noted that the Flow Equalization Basin was completed in 2010 and some minor rehabilitation work was done during the investigative phase. Some discussion followed.

Mr. Young left the meeting at 2:27 p.m.

Mr. Arndt explained that recent discussions have focused on regionalization and urgency. He also noted that the Authority has offered to include the City of Allentown in the SCARP program. Extensive discussion followed.

Mr. Muller left the meeting at 2:40 p.m.

Lynn Township Sewer Authority (LTSA) (Discussion)

Mr. Leist gave a brief overview of the Lynn Township Sewer Authority via the attached presentation (Presentation 4), noting the small size of LTSA service area and employees. He noted that LTSA has approached the Authority about possible acquisition of the system because of rising user rate concerns driven by the wastewater treatment plant improvements and capacity expansion. Mr. Leist explained that the Authority would not offer any compensation for the system but if acquired through a combination of expertise and economies of scale could significantly reduce operating and financing costs thereby reducing the financial impact on the customers. Discussion followed.

Executive Session

The Chairman called for an Executive Session at 2:47 p.m. to discuss personnel matters.

The session ended at 3:22 p.m.

There being no further business, the Chairman adjourned the meeting at 3:22 p.m.

Brian Nagle
Assistant Secretary