

**WORKSHOP MEETING MINUTES**  
**January 9, 2012**

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The Workshop Meeting of the Lehigh County Authority was called to order at 12:24 p.m., on Monday, January 9, 2012, Chairman Asa Hughes presiding. Other Members present at the commencement of the meeting were: Thomas Muller, Brian Nagle, Norma Cusick, and Richard Bohner. Authority Staff present were: Aurel Arndt, Doug Young, Bradford Landon, Frank Leist, Patricia Mandes, Liesel Adam, Joseph McMahan, and Cristin Garger.

**Agenda Review**

Mr. Arndt stated there would be one additional action item discussed before Item 5, and an additional information item following the regular agenda items.

**Water/Wastewater Rules and Regulations (Approval)**

Mr. Arndt stated that the Water and Wastewater Rules and Regulations have been updated in accordance with the new service charges adopted in the 2012 Budget.

On a motion from Mr. Bohner, seconded by Ms. Cusick, the Board unanimously adopted the updated Water and Wastewater Rules and Regulations (5-0).

**Henninger Lease (Approval)**

Mr. McMahan said this is a renewal of an existing farming lease of the Authority's 26 acres at the Tillage Road well field with Kyle Henninger, a Breinigsville farmer. He explained that Mr. Henninger agreed to an increase of \$10/acre/year or 16.4% to \$71.5/acre/year if the lease term is extended from 1 to 3 years. There are several restrictions in the lease for well head protection purposes. In addition, the lessee is responsible for mowing the lawn in the area around the well that is not farmed. There may be some adjustments to the acreage in the lease due to the required conservation plan, but more time is needed to make that determination. Mr. McMahan stated the Staff recommends approval of the lease agreement with Mr. Henninger in substantially the attached form, authorizing the Staff to make any final changes as long as these changes are not material. Mr. McMahan noted if there are material changes, the agreement would be brought back to the Board for further consideration.

On a motion from Mr. Muller, seconded by Ms. Cusick, the Board unanimously approved the lease agreement with Kyle Henninger and authorized Authority Staff to make any final changes as long as such changes are not material (5-0).

**Arcadia West Treatment Plant Upgrade (Approval)**

Mr. Leist stated that original bids were received in March 2011 for the subject project. He noted that PA-DEP and PennVEST will not accept the bids as LCA's consultant structured them because the language in the bid documents was judged by PA-DEP and PennVEST to be inconsistent with their respective requirements; although, the Authority provided an outside legal opinion that the language was legally sufficient. Mr. Leist requested the Board formally reject all bids received on March 17, 2011 to prepare for rebidding for the General, Electrical, and Mechanical and Plumbing Construction contracts.

On a motion from Ms. Cusick, seconded by Mr. Muller, the Board unanimously rejected the bids received on March 17, 2011 for the Arcadia West Treatment Plant Upgrade (5-0).

**Lynn Township Wastewater System Conveyance Agreement** (Approval)

Mr. Leist said that the Authority, Lynn Township Sewer Authority (LTSA) and Lynn Township (LT) have been working toward the LCA acquisition of the sanitary sewer system in and around the village of New Tripoli. He explained that the Lynn Township Sanitary System provides wastewater service to approximately 381 residential, commercial and institutional customers totaling ~545 EDUs; 116 of these wastewater customers are in the Authority's Madison Park Water System Division. On Thursday, December 8, 2011, LT executed the Conveyance Agreement for the Authority acquisition of the system, with settlement tentatively to occur on February 29, 2012. Mr. Leist explained that this acquisition is at no cost to the Authority; however, LCA has assumed the obligation for the wastewater treatment plant (WTP) improvements / expansion. He then noted that after acquisition, the Authority has planned I/I efforts for the system; removal of I/I may free up capacity and delay the WTP 160,000 GPD expansion for the near term. Some discussion followed.

On a motion from Mr. Nagle, seconded by Ms. Cusick, the Board unanimously approved the Lynn Township Wastewater System Conveyance Agreement and authorized the General Manager to execute any and all necessary documents to accomplish the acquisition (5-0).

**Electricity Procurement** (Approval)

Mr. McMahon asked the Board to authorize the Staff to procure electricity via a new contract or extensions of existing ones through a purchasing program that has used a competitive bidding process that meets statutory requirements based upon a Staff analysis of all available consortium options provided that the proposed rate is equal to or lower than that in the then current contract. He noted that prices are historically low, down 26% from the first purchase of this kind.

Mr. Arndt noted that this would be an open ended motion because prices are determined the day the Authority signs the contract. He also noted that this motion would replace the action taken by the Board at its July 12, 2010 meeting for all future action.

Mr. Nagle stated that he would prefer if this contract would not extend past a two-year agreement because of pricing trends.

On a motion from Mr. Muller, seconded by Ms. Cusick, the Board unanimously authorized Staff to negotiate a new electricity contract and authorized the General Manager, Business Manager or, in the future, the Chief Financial Officer to execute an electricity purchase contract for a term up to two years with the Solicitor or Customer Care & Communications Manager to attest such signature (5-0).

**Wastewater Treatment Capacity Options Process**

Mr. Arndt stated that the purpose of this discussion is to inform Board members of the Act 537 Planning process, not discuss the four options being considered by the Authority future wastewater capacity.

Ms. Mandes referred to the attached presentation, providing background on the Act 537 process. She then noted that a cost effectiveness analysis is required for each option and will be included in the study. Ms. Mandes continued by stating that any options regarding the use of the Authority's wastewater treatment plant with a direct discharge to either the Jordan Creek, Lehigh River, or land application will need approval by the Authority's signatories; however, if the option involves treatment at the City's Klines's Island WTP, the City's signatories must also approve the plan. She explained that

the City has been approached regarding a joint Act 537 Plan, but no decisions have been made to date. Extensive discussion followed.

Mr. Arndt noted that a meeting would be scheduled to discuss a joint plan with the Mayor of Allentown as soon as possible.

**Northern Lehigh Wastewater System Update**

Mr. Arndt stated that the North Whitehall Township Zoning Hearing Board (ZHB) will hold a hearing on January 12, 2012 and rule on an Objectors' Motion that could dismiss the Authority's case, citing that the Authority should have applied for a Conditional Use which falls under the jurisdiction of the Board of Supervisors, rather than a Special Exemption which falls under the ZHB. The fact that LCA followed the Zoning Officer's determination (who based his determination on the Township Solicitor's advice) that a Special Exemption was required may not be relevant. If the ZHB votes in favor of the motion, the Authority will apply for a Conditional Use and start the process over.

There being no further business, the Chairman adjourned the meeting at 2:04 p.m.

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Richard H. Bohner  
Secretary