

REGULAR MEETING MINUTES
September 30, 2014

The Workshop Meeting of the Lehigh County Authority was called to order at 12:20 p.m., on Tuesday, September 30, 2014, Chairman Asa Hughes presiding. Other Members present at the commencement of the meeting were: Tom Muller, Richard Bohner, Emrich Stellar, Ted Lyons, Norma Cusick and Brian Nagle. Authority Staff present were Aurel Arndt, Ed Bielarski, Frank Leist, Dan Standish, Bob Kerchusky, Lance Babbitt and Lisa Miller.

Members of the public, Renae Tesauro, Reynold Schneck, Elsie Schneck, Dave Ackerman, Matt Ackerman, Ann Ackerman, and Patricia Lipovsky, and Paul Muschick, Morning Call Reporter, were also in attendance.

PUBLIC COMMENTS

Ms. Patricia Lipovsky addressed the Board and read a letter regarding the sewage backup on her 312 College Drive property back in May 2014. Her letter asked LCA to take responsibility and pay for the costs for cleanup and property damage.

Ms. Ann Ackerman of 308 College Drive also addressed the Board and read a letter describing what happened to her property regarding the sewage backup.

Mr. Reynold Schneck of 309 College Drive addressed the Board and described what happened to his property in regard to the sewage backup.

Ms. Renae Tesauro, daughter of Elsie and Reynold Schneck, read a statement on behalf of the group attending. She questioned the service records and maintenance of the City and the Authority. Ms. Tesauro stated that educating the public on insurance and homeowners policies may help. In summary, they are asking LCA to take responsibility for its actions, or lack thereof, and assist the homeowners with repairing the damage inflicted upon their homes.

Mr. Arndt updated the Board by informing them of a letter the Authority received from an attorney representing Ms. Lipovsky, notifying of possible litigation. This letter was shared by Authority staff with the insurance company and the insurance company is re-evaluating the circumstances. He stated that the Authority is open to further discussion to bring this to a reasonable solution. When Authority staff hears back from the insurance company, Mr. Arndt indicated that the insurance company's position will be shared with these residents of College Drive.

Mr. Scott McCleod arrived during the discussion and stated that he was here on behalf of his grandmother who resides at 922 N 16th St. She had a sewage incident in the middle of July at this address from a blockage from the Assisted Living facility down the street. A claim was made to the insurance company and it was denied. Mr. Arndt stated that we were not aware of the details of that situation.

Mr. Arndt responded to comments regarding insurance. He added that the Authority's 4th Quarter Newsletter will provide customers, both in the City and Suburban division, with information to raise awareness of coverage options for these types of situations.

Mr. Arndt presented a power point map of the College Drive area and explained maintenance of systems. College Drive was on schedule for June 2014 and was treated in 2010 with a chemical to control root growth.

Mr. Bieber entered the meeting at 12:45 p.m.

REVIEW OF AGENDA

Items for September Board meeting were reviewed.

EXECUTIVE SESSION

Mr. Arndt stated there would be an Executive Session immediately following the Regular Board meeting to discuss a matter of potential litigation and personnel matters.

APPROVAL OF MINUTES

August 11, 2014 Workshop Meeting Minutes

On a motion by Richard Bohner, seconded by Tom Muller, the Board unanimously approved the Minutes of the August 11, 2014 Workshop Meeting (6-0). Mr. Stellar abstained.

September 8, 2014 Workshop Meeting Minutes

On a motion by Richard Bohner, seconded by Brian Nagle, the Board unanimously approved the Minutes of the September 8, 2014 Workshop Meeting (6-0). Ms. Cusick abstained.

ACTION AND DISCUSSION ITEMS

Pension Plan Minimum Municipal Obligation (MMO) for 2015

Mr. Bielarski presented the 2015 Minimum Municipal Obligation (MMO) for the Lehigh County Authority Pension Plan to the Board as required by Act 205. The calculation of the 2015 plan cost, or MMO, required an estimate of the 2014 W-2 wages of the employees covered by the plan. The information required for this calculation is included in the meeting packet memo and form. Discussion followed.

Park Pump Station Improvements – Fuel Tank Replacement (Approval)

Mr. Leist gave an overview of the project. He is asking for approval of the Capital Project Authorization with Amendment No.1 for the construction phase of the project for \$181,500. It includes the Professional Services Amendment for Construction services from Barry Isett & Associates for \$6,000. Also included is the award of the contract to Hafer Equipment for \$157,388. Some discussion followed.

On a motion made by Emrich Stellar, seconded by Richard Bohner, the Board unanimously approved the Capital Project Authorization Amendment No. 1 for \$181,500 (7-0).

On a motion made by Emrich Stellar, seconded by Norma Cusick, the Board unanimously approved the Professional Services Amendment No. 1 for the Construction Phase for \$6,000 (7-0).

On a motion made by Scott Bieber, seconded by Norma Cusick, the Board unanimously approved the contract Award to Hafer Equipment for \$157,388 (7-0)

Allentown Division Sanitary Sewer Manhole Lining (below-ground) (Approval)

Mr. Leist stated that this is an Administrative Order project and therefore under the Concession Agreement provisions, it will be funded by the City. LCA will be reimbursed for all costs of this project. Three (3) bids were received on September 12, 2014. He recommended award of the Construction Contract to Lake County Sewer for \$125,491. Also, he recommended approval of a Professional Services Authorization for Barry Isett & Associates for inspection services for \$22,445. In the Capital Project Authorization, the Miscellaneous cost is \$100,452. It is the intent of the City to establish a total sum of \$290,000. The City will provide authorization to line additional manholes, if necessary, to reach their targeted budget goal. Mr. Leist asked the Board, that contingent upon and subject to City authorization, to include the additional cost in the contract, so that Mr. Arndt can sign the change orders. Some discussion followed.

On a motion by Emrich Stellar, seconded by Richard Bohner, the Board unanimously approved the Capital Project Authorization Amendment No. 1 for \$268,388 with authorization to add additional costs up to \$290,000, subject to City authorization (7-0)

On a motion by Emrich Stellar, seconded by Tom Muller, the Board unanimously approved the Professional Services Authorization Amendment No. 1 for \$22,445 (7-0)

SYSTEM OPERATIONS OVERVIEW

None.

STAFF COMMENTS

None.

SOLICITOR'S COMMENTS

None.

OTHER COMMENTS

None.

EXECUTIVE SESSION

The Chairman called for an executive session at 1:25 p.m. to discuss a matter of potential litigation. A second matter, regarding a personnel item, was discussed starting at 2:10 p.m. at which time the staff, except for Mr. Arndt, left the meeting and Kathy Martin joined the meeting.

The session ended at 3:14 p.m.

ADJOURNMENT

There being no further business, the Chairman adjourned the meeting at 3:14 p.m.

Richard H. Bohner
Secretary