

WORKSHOP MEETING MINUTES
November 11, 2013

The Workshop Meeting of the Lehigh County Authority was called to order at 12:29 p.m., on Monday, November 11, 2013, Chairman Asa Hughes presiding. Other Members present at the commencement of the meeting were: Richard Bohner, Emrich Stellar, Tom Muller, Scott Bieber, and Norma Cusick. Authority Staff present were: Aurel Arndt, Frank Leist, Bradford Landon, Ed Bielarski, Dan Standish, Pat Mandes, Bob Kerchusky, and Cristin Keppel.

Fred Lutz and Bill Bohner of ARRO Group and Ralph Eschborn of AECOM were also in attendance.

Agenda Review

Mr. Arndt stated there would be two additional action items and one Executive Session regarding personnel.

Highland Court Sinkhole (Approval)

Mr. Standish informed the Board that work is currently being done on a sinkhole located in the 1200 block of Highland Court in the Clearview Manor Development in Lower Macungie Township. He indicated that a customer called the Authority about low pressure early on Sunday, November 10, 2013. The leak was found by 8:15 and excavation efforts began; at that time with the beginning of excavation, the hole opened up immediately. He said temporary lines have been established to provide basic water service for the six affected homes, but with lower water pressure. Upon further excavation by Joao & Bradley Construction Company, the emergency contractor, the hole is now about 25 feet wide and 20 feet deep. Mr. Standish explained that Mark Harmon of the ARRO Group is currently at the site determining if the plan of action to repair the leak and fill the hole is sound. Mr. Standish provided the Board with some pictures of the site. He requested the Board declare an Emergency for the situation in order for the Authority to spend funds to repair the sinkhole, noting that funding for such situations is already earmarked in the budget. Some discussion followed.

On a motion from Mr. Stellar, seconded by Mr. Muller, the Board unanimously approved an Emergency Declaration for the Highland Court Sinkhole in order to provide funds for repairs (6-0).

2014 Budget Assumptions

Mr. Bielarski gave an overview of the attached budget assumptions. He noted that incorporating the City System into the Authority budget process has created some challenges and the assumptions reflect basic departmental needs throughout the Authority. He briefly explained the current estimates for each category: Staffing, Benefits, Fleet Management, Education and Training, Human Resources, Information Technology, Knowledge Management, Customer Care, and Public Relations. Some discussion and clarifications of specific items followed. Mr. Bielarski stated the full 2014 Budget will be presented to the Board for approval in December.

2014 – 2023 Preliminary Capital Plan (Plan) (Approval)

Mr. Leist explained that this Plan is for the Suburban Division, noting that the Board previously approved a 5-year Capital Plan for the City Division in August. He stated that Doug Young was brought in to do the financial portions of the Plan and all of the costs are justified. The Plan includes \$151 million in projects over the next ten years; however, there are no new projects in this Plan. He briefly reviewed some of the larger, ongoing projects for Administration, Water and Wastewater. Some discussion followed.

On a motion from Mr. Muller, seconded by Mr. Bohner, the Board unanimously approved the 2014 – 2023 Suburban Division Capital Plan (6-0).

Mark Harmon entered the meeting at 1:04 p.m.

Liesel Adam entered the meeting at 1:10 p.m.

LCA/City of Allentown Act 537 Plan Update

Ms. Mandes explained that it has been one year since the kick off the Act 537 Plan Study to evaluate future wastewater discharge options for the Western Lehigh Interceptor (WLI) service area. She noted that Mark Harmon, Fred Lutz, and Bill Bohner of the ARRO Group and Ralph Eschborn of AECOM will present a detailed update (via attached presentation) on the work performed over the last year and explain the next steps of the project.

Mr. Harmon provided an update on the Jordan Creek Discharge Alternative if the Treatment Plant in Upper Macungie Township (WTP) becomes full treatment, and provided a detailed memorandum to Board and Staff members regarding the activities performed over the past year of the study.

Mr. Eschborn then discussed conveyance issues throughout the system and reviewed the other three discharge alternatives: (1) Upgrading LCA's WTP to discharge to the Lehigh River, (2) Upgrading Kline's Island WTP, and (3) Upgrading LCA's WTP to discharge to Land Application. He presented new findings regarding land application and noted that the new information for that alternative is being researched further.

Mr. Lutz updated the Board on the stakeholder process. He stated that the larger meetings subsided once the Concession Lease process began; however, he has continued to meet with stakeholders on an individual basis to keep them informed of the options.

Mr. Bohner then spoke about the schedule and other work that needs to be done on the project.

After extensive discussion and questions from Board members, it was noted that work will continue on the project and ARRO, AECOM, the Authority, and City officials will begin to narrow the focus on the best option available for additional capacity in order to provide a draft Act 537 Plan by spring of 2014.

Mr. Muller left the meeting at 2:14 p.m.

Mr. Stellar left the meeting at 2:23 p.m.

Western Lehigh Interceptor (WLI) User Fee Report (Approval)

Ms. Mandes distributed the options that will be presented to the WLI Advisory Committee. She explained that typically, the Board provides preliminary approval conditional upon approval from the WLI Signatories; however, this year there are a few options that need to be presented to the Committee. After some discussion of the options, Ms. Mandes stated that she will be seeking approval for either scenarios two, three or four, with an increase in rates under any of those options of no more than 5% and would request that the Board take such action now, instead of waiting until after the WLI Advisory Committee, in order to be timely.

On a motion from Mr. Bieber, seconded by Ms. Cusick, the Board unanimously preliminarily approved adoption of the WLI User Fee update pending approval and scenario selection by the WLI Advisory Committee (4-0).

Capital Recovery Fee Financing Agreement (Approval)

Mr. Arndt asked for the Board's assent to a one-time arrangement allowing a property owner to pay for some additional wastewater allocation it needs to complete a motel replacement project that is for a smaller amount than the 50,000 gpd threshold of the Authority's *Wastewater Treatment Capacity Allocation Financing Policy*. The fee will be financed over three months.

On a motion from Mr. Bieber, seconded by Ms. Cusick, the Board unanimously approved the Capital Recovery Fee Financing Agreement for Jay Jayla LLC (4-0).

Executive Session

The Chairman called for an Executive Session at 2:57 p.m. to discuss personnel.

The Session ended at 3:04 p.m.

There being no further business, the Chairman adjourned the meeting at 3:05 p.m.

Richard H. Bohner
Secretary