

REGULAR MEETING MINUTES
April 11, 2016

The Regular Meeting of the Lehigh County Authority was called to order at 12:11 p.m., on Monday, April 11, 2016, Chairman Brian Nagle presiding. Other Members present at the commencement of the meeting were: Tom Muller, Richard Bohner, Norma Cusick, and Deana Zosky. Authority Staff present were Liesel Gross, Ed Klein, Pat Mandes, Frank Leist, Brad Landon, John Parsons, Chuck Volk, Jason Peters, Phil DePoe and Lisa Miller.

REVIEW OF AGENDA

Chairman Nagle stated that there will be an Executive Session after the regular meeting to discuss two items. One is regarding potential litigation and a second item regarding personnel.

APPROVAL OF MINUTES

March 28, 2016 Regular Meeting Minutes

On a motion by Richard Bohner, seconded by Tom Muller, the Board approved the Minutes of the March 28, 2016 Regular meeting as corrected (4-0). Norma Cusick abstained because she wasn't in attendance.

PUBLIC COMMENTS

Jan Keim, Salisbury Township, stated that the sewer overflows have not been corrected and the sewer odor at Rathbun Bridge is unbearable. Whatever work is being done didn't work. The staff will follow up and Liesel Gross informed the public that the Authority's website contains the reports and documents regarding sewer system overflows.

Dave McGuire, Allentown, said that he wants LCA to own up to its degradation of the Little Lehigh Creek. He said LCA is irresponsible and not resolving problems that result in overflows and the EPA should have started fining LCA over overflows instead of giving an extension to the Administrative Order. He said he also wants better and more effective communication with the Authority.

Mike Siegel, Little Lehigh Watershed Coalition, thanked the Authority for putting the operating reports on line and becoming more transparent about the overflows. He informed the Authority that one of the gauging stations on the Little Lehigh Creek has been offline since the dam removal. He would also like to see additional gauging stations.

Joe Hilliard asked for greater transparency and email addresses for Board members. Asked why the Authority has not commented on the Lehigh Riverfront project. Liesel Gross replied that the Authority has looked at the project but it does not impact our water supply. Dave McGuire asked why we were not planning for capacity needs at the wastewater plant and sewer conveyance system, considering the overflows the system experiences.

Rob Hamill commented on the sewage overflows and stated his concerns of pollution on the Little Lehigh. He also asked about Authority wells # 8 and 12 and the drawdown of the aquifer during droughts.

Deana Zosky said she is concerned on how the Authority can add new connections to the sewer system when the overflow issue hasn't been solved. She also asked how DEP interacts with the Authority to allow for additional development to connect to the system. Pat Mandes reviewed the process for reviewing new connections to the system, which is required by DEP to include an evaluation of dry-day capacity to accommodate the proposed development. She explained that the sewer system demonstrates adequate dry-day capacity to allow for the planning modules for new development to be approved.

ACTION AND DISCUSSION ITEMS

Public Participation / Transparency & Email Usage Guidelines – follow-up from March 28 Board meeting

Liesel Gross reviewed the information that was distributed at the March 28, 2016 Board meeting, and reported that many of the initiatives have already been implemented such as Board Agendas and supplemental materials being provided one week prior to the Board meeting, timely preparation of the Board minutes, and the monthly system operations and financial reports included in Board meeting agenda and packet. The Board discussed the following initiatives in more detail: public comment period regarding setting a time limit, Board member email addresses, meeting webcast/video recording, and meeting schedule/night meetings. In conclusion of the discussion, the Board will continue the 5-minute time limit on public comment to be extended at the Chair's discretion. Both individual and general board email accounts have been set up and will be available to the public. In the future, the Authority will create an email retention policy. Liesel Gross said that the administration will investigate the logistics and cost of webcasting the meetings. The Board also discussed having special meetings or forums in the evening on particular topics. It was also suggested that the Authority survey its customers as to what they want to hear about and if they would desire night meetings. Staff will follow-up on these ideas and bring proposals back to the Board for additional discussion at a future meeting.

Risk Management Annual Report

Kevin German presented the 2015 Annual Risk Management Report along with a PowerPoint presentation. He reviewed the accomplishments for 2015 and also a list of goals for 2016.

On a motion by Richard Bohner, seconded by Tom Muller, the Board unanimously approved the 2015 Annual Risk Management Report (5-0).

Allentown Division – Water Filtration Plant: 20 Ton A/C and 40 Ton Chiller Replacement

Frank Leist gave an overview of the Construction Phase of the project which includes disconnecting and removing the old equipment and install the new Chiller and A/C unit, piping and electrical work, flushing and cleaning of the chilled piping system and installing new software controls. The project will be funded by the LCA Allentown Division and is in the Budget and Capital Plans. Phil DePoe will be investigating the re-use of the R22 coolant. Frank Leist is asking for approval of the Capital Project Authorization for the Construction Phase in the amount of \$82,000.00 which includes the General Contract Award to K.C. Mechanical in the amount of \$67,000.00.

On a motion by Norma Cusick, seconded by Richard Bohner, the Board unanimously approved the Capital Project Authorization for the Construction Phase in the amount of \$82,000.00 which includes the General Contract Award to K.C. Mechanical in the amount of \$67,000.00 (5-0).

Allentown Division – Water Filtration Plant: Painting Phase II

Frank Leist gave an overview of the Construction Phase of the project that includes preparation and repainting of the filter gallery water piping and blasting of existing concrete surfaces. The project will be funded by the LCA Allentown Division. There is no lead based paint or asbestos present. He is asking for approval of the Capital Project Authorization – Construction Phase in the amount of \$231,621.00 which includes the Professional Services Authorization Amendment No. 1 to D'Huy Engineering in the amount of \$12,900.00 and the General Contract Award to PIM Corp. in the amount of \$188,721.00.

On a motion by Norma Cusick, seconded by Tom Muller, the Board unanimously approved the Capital Project Authorization – Construction Phase in the amount of \$231,621.00 which includes the Professional Services Authorization Amendment No. 1 to D'Huy Engineering in the amount of \$12,900.00 and the General Contract Award to PIM Corp. in the amount of \$188,721.00 (5-0).

Suburban Division – Water Main Replacement Program Cycles 1 & 2

Frank Leist introduced Jason Peters, LCA's Capital Works Projects Coordinator, to give the overview of the project. The project addresses the main replacement projects in 2016 and 2017. The project will be funded by LCA Suburban Division. A budget amendment is requested in the amount of \$1,146,222.00. Jason Peters is asking for approval of the Capital Project Authorization – Amendment No. 1 – Construction Phase

in the amount of \$3,546,222.00 which includes the Capital Project Budget Amendment in the amount of \$1,146,222.00, the Professional Services Authorization Cycles 1 & 2 for the Construction Engineering and Management Services, Amendment No. 1 to Gannett Fleming Inc. in the amount of \$62,078.00 and Construction Inspection Services to Keystone Consulting Engineers in the amount of \$90,000.00 and award the contract for General Construction to Anrich, Inc. in the amount of \$2,926,000.00 and the Procured Material to Ferguson in the amount of \$218,144.00. Mr. Peters explained that the budget amendment was required for the 2016 planned work primarily due to 0.85 miles of water main being added to the project to address high-risk areas and also to extend all replaced water mains to the end of the impacted intersections. There was some discussion regarding financial capacity to amend the budget in this manner.

On a motion made by Norma Cusick, seconded by Tom Muller, the Board approved the Capital Project Authorization – Amendment No. 1 – Construction Phase in the amount of \$3,546,222.00 which includes the Capital Project Budget Amendment in the amount of \$1,146,222.00, the Professional Services Authorization Cycles 1 & 2 for the Construction Engineering and Management Services, Amendment No. 1 to Gannett Fleming Inc. in the amount of \$62,078.00 and Construction Inspection Services to Keystone Consulting Engineers in the amount of \$90,000.00 and Award the Contract for General Construction to Anrich, Inc. in the amount of \$2,926,000.00 and the Procured Material to Ferguson in the amount of \$218,144.00 (4-1). Deana Zosky opposed.

Allentown Division – Water Main Replacement Program Cycle 3

Jason Peters gave an overview of the project, which includes replacement of 4.39 miles of water main in 2016. The project will be funded by the LCA Allentown Division. A budget amendment is requested in the amount of \$996,494.00, due primarily to increasing the amount of water main included in this project to take advantage of lower construction prices and also to extend all replaced water mains to the end of the impacted intersections. Jason Peters is asking for approval of the Capital Project Authorization – Amendment No. 3 – Construction Phase in the amount of \$6,056,494.00 which includes the Capital Project Budget Amendment in the amount of \$996,494.00, the Professional Services Authorization Cycle 3 for Construction and Management Services, Amendment No. 3 to Gannett Fleming Inc. in the amount of \$95,589.00 and Construction Inspection Services, Amendment No. 1 to Keystone Consulting Engineers in the amount of \$170,000.00, and Award of the Contract for General Construction to JOAO Bradley Construction Co., Inc. in the amount of \$4,985,516.00 and the Procured Material to Ferguson in the amount of \$385,389.00.

Because of increasing construction price trending, the decision was made to replace a minimum 4 miles of water main in cycle 3 rather than the required 2 miles to keep costs lower for the customers. The necessity to replace water mains between intersections allows future replacements to be easily extended without interruptions in service to customers in the area that included the 0.39 miles. The Authority is working with Lehigh Valley Regional Partnership to coordinate projects with UGI, other utilities, and the City of Allentown to provide a more cost-effective project.

Joe Hilliard suggested a 5-year plan with UGI so the Authority could piggyback on to their plan to save money and convenience. Frank Leist stated that the Authority accesses the mains that need to be replaced in the City in accordance with the methodology that has been approved by the City Compliance Office. We have tried to partner with various utilities and municipalities to participate in a 5 year outlook but none have participated. Since this project is a major capital improvement, it allows the Authority to recover project costs above the rate cap to recover the costs.

On a motion by Norma Cusick, seconded by Richard Bohner, the Board approved the Capital Project Authorization – Amendment No. 3 – Construction Phase in the amount of \$6,056,494.00 which includes the Capital Project Budget Amendment in the amount of \$996,494.00, the Professional Services Authorization Cycle 3 for Construction and Management Services, Amendment No. 3 to Gannett Fleming Inc. in the amount of \$95,589.00 and Construction Inspection Services, Amendment No. 1 to Keystone Consulting Engineers in the amount of \$170,000.00, and Award of the Contract for General Construction to JOAO Bradley Construction Co., Inc. in the amount of \$4,985,516.00 and the Procured Material to Ferguson in the amount of \$385,389.00 (4-1). Dean Zosky opposed.

PROJECT UPDATES/INFORMATION ITEMS

Liesel Gross informed the Board that there are no projects for approval at the next Board meeting.

FINANCIAL REVIEW

February financials were attached to the Board agenda. Ed Klein said the financials are similar to previous month with lower revenue versus the budget. Once the Audit is complete, the accounting department will begin working on closing the monthly operating expenses earlier and the financial statements will include a rolling budget forecast.

SYSTEM OPERATIONS OVERVIEW

John Parsons reported on a pH issue that occurred on April 1st at Far View Farms & Mink Estates, which serves 71 homes in Upper Milford Township. The control system that controls the feed of sodium hydroxide to the developments malfunctioned, creating an overfeed of the sodium hydroxide into the water. The result was a high pH level that is not safe to drink. Customers were notified by phone, a notice was posted online, and bottled water was delivered to each home in the system. The system was repaired and functioning normally by late afternoon the same day.

STAFF COMMENTS

None.

SOLICITOR'S COMMENTS

Brad Landon prepared a memo to the Board clarifying the recent discussion of conflicts-of-interests. Discussion followed. The Board discussed Deana Zosky's disclosure of her relationship with ANIZDA and determined it is not a conflict of interest regarding the Authority's disputes with the City of Allentown. In the future, any disclosures brought forth by a Board member will be discussed and a determination made by the Board whether the disclosure constitutes a conflict of interest for any current or future matters the Board may discuss.

OTHER COMMENTS

Mike Siegel thanked Liesel Gross for her quick reaction to the lead issue following an article posted on social media, which he had shared with Ms. Gross.

EXECUTIVE SESSION

The Chairman called an Executive Session at 2:45 p.m. to discuss potential litigation and a personnel matter.

The Executive Session ended at 3:09 p.m.

ADJOURNMENT

There being no further business, the Chairman adjourned the meeting at 3:09 p.m.

Richard H. Bohner
Secretary