

REGULAR MEETING MINUTES
April 27, 2015

The Regular Meeting of the Lehigh County Authority was called to order at 12:21 p.m., on Monday, April 27, 2015, Vice Chairman Tom Muller presiding. Other Members present at the commencement of the meeting were: Richard Bohner, Brian Nagle, Ted Lyons, Norma Cusick, Scott Bieber, Emrich Stellar and Deana Zosky. Authority Staff present were Aurel Arndt, Liesel Adam, Ed Bielarski, Pat Mandes, Frank Leist, Robert Kerchusky, John Parsons, Chuck Volk and Lisa Miller.

The Board welcomed their newest member, Deana Zosky.

REVIEW OF AGENDA

EXECUTIVE SESSION

Aurel Arndt stated there would be an Executive Session at the end of the regular meeting to discuss personnel matters.

APPROVAL OF MINUTES

March 23, 2015 Regular Meeting Minutes

Brian Nagle noted that a correction needs to be made to the March 23, 2015 minutes to correct a vote in the Minutes of January 26, 2015 to 6-0, not 7-0.

On a motion by Richard Bohner, seconded by Norma Cusick, the Board unanimously approved the Minutes of the March 23, 2015 Regular Meeting as corrected (7-0). Deana Zosky abstained.

April 13, 2015 Regular Meeting Minutes

Richard Bohner noted that the word "on" after refunding needs to be eliminated in the paragraph under the Proposal for Water Revenue Bond.

On a motion by Richard Bohner, seconded by Norma Cusick, the Board unanimously approved the Minutes of the February 23, 2015 Workshop Meeting as corrected (7-0). Deana Zosky abstained.

PUBLIC COMMENTS

None.

Aurel Arndt introduced Chuck Volk to the Board. Mr. Volk has recently joined LCA as the Asset Management Engineer and will formally be working with Operations.

Election of Chairman

On a motion by Norma Cusick, seconded by Richard Bohner, the Board unanimously nominated Brian Nagle for Chairman of the Board since Asa Hughes, the Chairman elected in February was not reappointed to the Board when his term expired (7-0). There being no further nominations, Norma Cusick made a motion to close the nominations, Richard Bohner seconded the motion (7-0). Deana Zosky abstained.

Tom Muller announced that Brian Nagle is the Chairman of the Board of Directors by acclamation.

ACTION AND DISCUSSION ITEMS

Norma Cusick questioned the net rate of the Certificates of Deposit. Ed Bielarski explained that the PSDLAF CDs are purchased while waiting for the next CD or Treasury bond to become available and keeps the money liquid.

Allentown Division – Water System Hydraulic Model Approval

Frank Leist gave an overview of the project that will develop a fully calibrated, all-pipe, hydraulic model of the Allentown Division (AD) water system that will be integrated with LCA's GIS and MUNIS systems. He recommends approval of the Professional Services Authorization in the amount of \$234,800 to retain Gannett Fleming for this project and the Capital Project Authorization in the amount of \$381,300. Mr. Leist was asked to describe the model. He explained that hydraulic modeling is a model of the water distribution system and all the facilities that contribute to capacity. The project is estimated to take 14 months to complete. Brian Nagle asked that the terminology in the paperwork for these projects be stated as "the Project will be funded by LCA Allentown Division".

On a motion by Scott Bieber, seconded by Ted Lyons, the Board unanimously approved the Capital Project Authorization in the amount of \$381,300 including the Professional Services Authorization to Gannett Fleming in the amount of \$234,800 (7-0). Deana Zosky abstained.

At this time, the Board and Staff introduced themselves to Deana Zosky.

Scott Bieber asked Chuck Volk to give the Board a description of his background. Mr. Volk gave a brief history of his previous employment.

Allentown Division – Water Main Replacement Program – Cycle 2 Approval

Frank Leist gave an overview of the project. The Operating Standards of the Lease Agreement require that Lehigh County Authority annually replace two-miles of aged spun and/or pit cast-iron water mains, except in the first year where only one mile was required. A location table is included to show the nine locations of water main replacement. The project contract was bid in two parts. Part A is primarily the replacement of water mains and Part B deals with valve replacements in two intersection reconstructions on Hamilton Boulevard before the City of Allentown repaves those intersections. The bids were written as though LCA were purchasing certain materials, including pipe, but included an alternate bid with the contractor providing the materials for comparison to determine which is most cost effective for LCA. The Staff recommended the project be awarded to the lowest bidder with the alternate bid substituting for the appropriate line items of both Part A and Part B. As a result, the contractor will be responsible for purchase of all of the materials, including the pipe, excepting the 30" diameter materials.

On a motion by Tom Muller, seconded by Richard Bohner, the Board followed Staff recommendation and unanimously approved the Capital Project Authorization Amendment No. 2 in the amount of \$2,478,823 including the Professional Services Authorization No. 2 in the amount of \$57,221 for Construction Engineering and Management Services to Gannett Fleming Inc., Professional Services Authorization in the amount of \$82,200 for Construction Inspection Services to Keystone Consulting Engineers, awarding the contract to JOAO Bradley Construction Co., Inc. for general construction with the alternative of contractor providing pipe in the amount of \$2,038,632 including the Procured Material to L.B. Water in the amount of \$45,770 (7-0). Deana Zosky abstained.

Western Lehigh Sewerage Partnership (WLSP) Alternatives Evaluation Approval

Pat Mandes gave an overview of the project. She is requesting approval of the Capital Project Authorization Amendment No. 21 in the amount of \$249,000 to Arcadis for the final alternatives analysis and the Professional Services Agreement. The project is expected to be complete by the end of the year.

On a motion by Emrich Stellar, seconded by Norma Cusick, the Board unanimously approved the Capital Project Authorization Amendment No. 21 in the amount of \$249,000 and the Professional Services Agreement to Arcadis (7-0). Deana Zosky abstained.

Lowhill Township Sewer System Acquisition Approval

Brian Nagle abstained from the discussion. A Conflict of Interest Disclosure Form was signed and is included with these minutes.

Aurel Arndt gave a brief history of the Lowhill Township Wastewater System and provided an acquisition overview. An Acquisition Agreement (also known as the Wastewater Service Agreement) was provided and reviewed. System revenues and expenses were discussed.

On a motion by Richard Bohner, seconded by Norma Cusick, the Board unanimously approved the Lowhill Wastewater Service Agreement (6-0). Brian Nagle and Deana Zosky abstained.

SYSTEM OPERATIONS OVERVIEW

Pat Mandes announced that a meeting with the stakeholders and municipal sewer signatories will be held on Wednesday, April 29 from 9-11 a.m. in the LCA Main Conference Room regarding Act 537 Sewer Facilities Planning. An update on the Act 537 options analysis for wastewater capacity expansion will be provided at the meeting and Board members were welcomed to attend.

Robert Kerchusky reported that the Arcadia Wastewater Treatment Plant is in full environmental compliance after facing some difficulties over the winter months. He provided a brief overview of the plant design and treatment challenges based on serving a very small service area of 13 commercial properties. There was discussion regarding plant design and function. Frank Leist stated that the independent engineers report is due by mid-May at which time it will be shared with the Board.

STAFF COMMENTS

None.

SOLICITOR'S COMMENTS

Not present.

OTHER COMMENTS

Scott Bieber requested a copy of the letter sent to EPA requesting an extension of the Administrative Order. A copy will be provided to all Board members via email.

EXECUTIVE SESSION

The Chairman called an Executive Session at 1:18 p.m. to discuss personnel matters, at which time all Staff members except Mr. Arndt exited the meeting.

The session ended at 1:45 p.m.

ADJOURNMENT

There being no further business, the Chairman adjourned the meeting at 1:45 p.m.

Richard H. Bohner
Secretary



BOARD MEMBER
CONFLICT-OF-INTEREST
DISCLOSURE FORM

WHEREAS, the undersigned is a duly-appointed member of the Board of Directors of the Lehigh County Authority (the "Authority") and as such is a "public official" as that term is defined in the *Public Official and Employee Ethics Law*; and

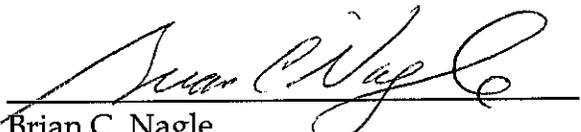
WHEREAS, §3(j) of the *Public Official and Employee Ethics Law* requires that a public official abstain from voting on a matter that would result in a conflict-of-interest, as defined elsewhere in the Law, and that such public official announces and discloses the nature of his/her interest in writing prior to a vote being taken on the issue; and

WHEREAS, the Authority's *Conflict-of-Interest Policy* also sets forth situations that may present a conflict for Authority Board members that require disclosure; and

WHEREAS, an issue has been raised for discussion and possibly a vote before the Authority Board of Directors from which the undersigned wishes to abstain due to such a potential conflict of interest.

NOW THEREFORE, Brian C. Nagle, serving as a member of the Authority Board of Directors, does hereby announce, disclose and abstain from voting at the Authority's 27 April 2015 Board Meeting on the issue of the acquisition of the Lowhill Township sewer system, which may be perceived as a conflict-of-interest because I have a family member who is an employee of Lowhill Township.

Date: 27 April 2015



Brian C. Nagle
Director of the Lehigh County Authority