

**REGULAR MEETING MINUTES**  
**May 23, 2016**

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The Regular Meeting of the Lehigh County Authority was called to order at 12:20 p.m. on Monday, May 23, 2016, Chairman Brian Nagle presiding. Other Members present at the commencement of the meeting were: Linda Rosenfeld, Richard Bohner, Norma Cusick, Scott Bieber and Ted Lyons. Authority Staff present were Liesel Gross, Ed Klein, Pat Mandes, Frank Leist, Brad Landon, Chuck Volk, Phil DePoe and Lisa Miller.

**REVIEW OF AGENDA**

Liesel Gross stated that there are two additional items under Staff Comments and the Organizational Goal #4 – Organizational Development – 2<sup>nd</sup> Quarter update will be discussed in Executive Session because it involves personnel. Two additional items are also planned for Executive Session.

Scott Bieber asked for a discussion item be added to the agenda related to the proposed stormwater injection wells at a development site in Upper Macungie Township. Chairman Nagle agreed to discuss this item in the Water section of the meeting agenda.

**APPROVAL OF MINUTES**

**May 9, 2016 Regular Meeting Minutes**

Richard Bohner said there is one correction on page 3, under Financial Review second to the last sentence, the word *and* should be *an*.

On a motion by Richard Bohner, seconded by Norma Cusick, the Board approved the Minutes of the May 9, 2016 Regular meeting as corrected (6-0).

Liesel Gross said that there are two comments that were submitted in writing by Deana Zosky. Chairman Nagle said that in order to clarify these comments, he requested that the tapes be reviewed for accuracy.

**PUBLIC COMMENTS**

Mike Siegel thanked the Board for going ahead with Western Lehigh Interceptor Test & Seal project. He said it shows good faith effort on behalf of the Board. He also expressed his concerns about the drought affecting the base flow of the Little Lehigh Creek. He would like to see the Board and Authority Staff push conservation and get the word out to the public and also have our drought plan ready. Mr. Siegel said he is also concerned about the land development along Schantz Road in Lower Macungie Township off of Hamilton Boulevard and South Cedarbrook Road, the Eastern Industries property. He is concerned about whether the LCA system at Schantz Spring will be protected from any potential spills that may go into the soil and aquifer. He asked that the Board look at the plan and think about protecting the spring. Chairman Nagle said this is a good point and thanked Mr. Siegel.

**ACTION AND DISCUSSION ITEMS**

**Allentown Division – Water Filtration Plant: Filter Room Ceiling Improvements**

Phil DePoe gave an overview of the project which consists of the installation of a new PVC linear panel system on the walls and ceilings in the clerestory area of the Water Filtration Plant's filter room. The project is required because of the possibility of filter water contamination from falling debris, continuous maintenance issues and aesthetics. He is asking for approval of the Capital Project Authorization – Construction Phase in the amount of \$306,000.00 which includes the Professional Services Authorization to D'Huy Engineering in the amount of \$10,500.00 and award of the general contract to Machemer Contracting, Inc. in the amount of \$265,500.00. The project will be funded by the LCA Allentown Division.

On a motion by Ted Lyons, seconded by Norma Cusick, the Board approved the Capital Project Authorization – Construction Phase in the amount of \$306,000.00 which includes the Professional Services

Authorization to D'Huy Engineering in the amount of \$10,500.00 and award of the general contract to Machemer Contracting, Inc. in the amount of \$265,500.00 (6-0).

Chairman Nagle asked Board members if they were interested in a tour of the Water Filtration Plant. He felt that with ongoing projects at the plants, it was a good idea for the Board to see them. Liesel Gross said that she will poll the Board for a tour date and will coordinate it with John Parsons.

### **Stormwater Injection Wells – Upper Macungie Township**

Scott Bieber asked about the Injection Wells in Upper Macungie Township that he read about in the paper. Frank Leist said the Authority is aware of the project and has commented on the preliminary plan and stated the Authority's position that injection wells not be used within the Karst geology of this region due to the potential impact to the Authority's drinking water sources. He informed the Board that the Authority has no real authority to stop injection wells; it is dictated by the Environmental Protection Agency (EPA). The next step is that the developers have to provide detailed information on their stormwater management plan to Lehigh County Conservation District. Since the Authority has a working partnership with the Conservation District, when the technical information is complete, the Conservation District will seek the Authority's input.

Mr. Bieber asked Mr. Leist to provide a copy of the letter he received to the Board.

Mike Siegel reported that he attended the hearing for this project and voiced the same concerns as Mr. Bieber. He said what makes this matter worse is that it is next to the quarry. He informed the Board that the attorney for the project did not recognize that the Authority had commented on the project.

### **Lehigh County Authority/Upper Milford Township & Lower Macungie Township Wastewater Transportation Agreement**

Frank Leist described the agreement which allows for the conveyance of wastewater from the Upper Milford Township system to the Lower Macungie system to the treatment plant and also formalizes the distribution across Waterfall Crossing and Watermill development, as well as any future discharges from Lower Macungie Township, into the Upper Milford sewer system which were covered in letter agreements in the 1990s.

On a motion by Norma Cusick, seconded by Linda Rosenfeld, the Board approved the Lehigh County Authority/Upper Milford Township & Lower Macungie Township Wastewater Transportation Agreement (6-0).

### **PROJECT UPDATES/INFORMATION ITEMS**

None.

### **FINANCIAL REVIEW**

Ed Klein presented the Board with updated re-phased financial sheets for the 2<sup>nd</sup> Quarter forecast and the April 2016 Financials, along with showing a PowerPoint presentation. He reviewed the March financials based on a re-phased and roll-forward forecast. At the end of March, the Revenue, Expenses and Cash Flow are significantly better than prior to the re-phasing. The April forecast looks positive as well. Moving forward, forecasting will take place monthly to show a clear budget history.

Liesel Gross highlighted the line in the new financial statement that is labeled *Previous Funding of Capex*. This line highlights that additional funding is available through the use of prior borrowed funds and capital reserves, but requires additional discussion so the staff and Board are fully aware of the balances available in reserves and bond funds for future capital spending. She explained that this line was not previously in the Board's financial discussions earlier this year, resulting in the negative numbers in the cash flow that was discussed at the time.

Chairman Nagle asked if the Authority will be conducting a rate study. Liesel Gross said the Authority's rate consultant will be coming in June to do a review with staff and a determination made at that time if a rate study is required. Ed Klein said the decision to conduct a rate study will depend on future capital requirements and whether existing reserve funds will be adequate to fund those requirements in the near term.

Chairman Nagle asked about the Audit. Ed Klein reported that it is ongoing and the Auditors are working on data from the Pennsylvania Municipal Retirement System. He estimates completion sometime in June.

### **SYSTEM OPERATIONS OVERVIEW**

Since John Parsons was unable to attend the Board Meeting, Liesel Gross reviewed the April 2016 report, highlighting that there were no significant issues reported, no notices of violations or sanitary sewer overflows for the month of April.

Chairman Nagle reported that he attended the semi-annual Signatory meeting, which was very informative, and plans to attend them in the future. He reported that Robert Kerchusky had provided a presentation at that meeting regarding the February rain event that dropped three inches of rain in a few hours and reported on how significantly it could have affected Kline's Island Wastewater Treatment Plant.

### **STAFF COMMENTS**

Liesel Gross informed the Board that new maps were handed out regarding the water and wastewater service areas. The maps were recently completed by the Authority's new GIS Specialist, Mark Bowen, and are for the Board Member Handbook.

Liesel Gross brought to the attention of the Board a letter prepared by the Authority to the Internal Revenue Service (IRS) regarding their proposed revision to the definition of Political Subdivision for purposes of qualifying for tax-exempt bonds.

### **SOLICITOR'S COMMENTS**

None.

### **PUBLIC COMMENTS / OTHER COMMENTS**

Ted Lyons informed the Board that *The Authority* magazine has a good article on lead and suggested they all read it.

### **EXECUTIVE SESSION**

The Chairman called an Executive Session at 1:25 p.m. to discuss personnel issues and additional items regarding potential litigation.

The Executive Session ended at 2:34 p.m.

### **ADJOURNMENT**

There being no further business, the Chairman adjourned the meeting at 2:34 p.m.

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Richard H. Bohner  
Secretary