

REGULAR MEETING MINUTES
June 27, 2016

The Regular Meeting of the Lehigh County Authority was called to order at 12:17 p.m. on Monday, June 27, 2016, Chairman Brian Nagle presiding. Other Members present at the commencement of the meeting were: Linda Rosenfeld, Kevin Baker, Richard Bohner, and Norma Cusick. Ted Lyons called in and was listening to the meeting on the conference phone and voting. Authority Staff present were Liesel Gross, Ed Klein, Pat Mandes, Frank Leist, Brad Landon, Chuck Volk, John Parsons, Phil DePoe, Amy Kunkel, and Lisa Miller.

REVIEW OF AGENDA

Liesel Gross stated that there are two changes to the agenda. The first one is the item under Water, Suburban Division-Spring Creek Pump Station is actually a Wastewater item and the second item is an additional item under Finance and Administration for Board consideration.

APPROVAL OF MINUTES

June 13, 2016 Regular Meeting Minutes

On a motion by Richard Bohner, seconded by Norma Cusick, the Board approved the Minutes of the June 13, 2016 Regular meeting (6-0).

PUBLIC COMMENTS

None.

ACTION AND DISCUSSION ITEMS

Wastewater Capital Recovery Fees

Resolution 6-2016-2 is a resolution that establishes various components of the Lehigh County Authority Capital Recovery Fees for various Suburban Division wastewater systems. Liesel Gross brought to the Board's attention the first chart which shows a large increase in the capital recovery fees for the Heidelberg Heights Wastewater System. Ms. Gross explained that the increase is due to the fees not being updated since 2012 and the increased tapping fees will only affect new customers, of which none are anticipated for that system.

On a motion by Norma Cusick, seconded by Linda Rosenfeld, the Board approved Resolution 6-2016-2 (6-0).

Organizational Goal #2 – Asset Management

Liesel Gross informed the Board that this is a new goal for the Authority and Frank Leist, John Parsons and Chuck Volk are the team working on this goal. Chuck Volk presented a status report to the Board with a PowerPoint presentation. The needs to be addressed are to perform a Suburban Division Facilities Condition Assessment for water and wastewater structures, perform an in-house mechanical equipment inventory for Suburban facilities, perform in-house major mechanical equipment evaluation and integrate it into a standardized Asset Management framework. The Asset Management principles will be used to prioritize rehabilitative/repair projects in the annual Capital Planning process and implement a Computerized Maintenance Management System for the Suburban Division, develop and implement benchmark operating standards for a Suburban maintenance program similar to the Allentown Division, perform an updated Condition Assessment at the Pretreatment Plant and then incorporate those results into the Asset Management plan for use with capital project planning.

John Parsons gave an overview of the Computerized Maintenance Management System being utilized in the Allentown Division. Mr. Parsons stated that most of the work is prescheduled which results in very few breakdowns, low call-outs, and low overtime. A huge benefit of the program is data depository.

Frank Leist gave an overview of the 2017-2021 Capital Plan development schedule and stated that the plan will be complete by August 1, 2016 at which time it will be sent out to various agencies for comment then presented to the Board for their review and comment at the August 8, 2016 meeting. He said he will ask for approval at the meeting in September. There was discussion regarding the Capital Plan and how it is vetted with the Budget.

Mr. Volk reviewed the preliminary finding of the Facilities Condition Assessment which took place at 32 sites with D'Huy Engineering and Authority staff. The condition of the sites was documented with notes and photos, and cost estimates for rehabilitation that is necessary to bring the facilities up to current standards. Discussion followed regarding the findings of this assessment and the Authority's process for accepting facilities that are acquired from developers.

Legal Counsel – Union Contract Negotiations

Liesel Gross distributed an engagement letter from Flamm Walton Heimbach & Lamm in regard to the upcoming union contract negotiations, for the Board's review. She explained that the Authority has used the firm in the past for labor relations and union contract negotiations, and the firm's hourly rate has been reduced from the prior engagement to \$250.

On a motion by Linda Rosenfeld, seconded by Norma Cusick, the Board approved hiring the firm of Flamm Walton Heimbach & Lamm for Authority union contract negotiations (5-0). Ted Lyons abstained from voting because he was unable to review the letter.

Lead in Drinking Water – LCA Water Testing

Liesel Gross updated the Board on the lead testing. The May testing period has ended and 12 customers participated. Three had lead service lines and all customers had results that were 6 parts per billion or less. The federal standard is 15 parts per billion. These results have been posted on the Authority's website.

Suburban Division – Spring Creek Pump Station – Design Phase

Frank Leist introduced Amy Kunkel, the Authority's Project Engineer, to the Board and informed them that this is her project. Mr. Leist gave an overview of the project which consists of upgrades to the pumping station that include evaluating the feasibility of installing a comminutor prior to the weir gates to reduce the amount of debris accumulation on the existing bar screens, replacing the weir gates with new motorized weir gates automated by an ultrasonic level detector located upstream of the wet well, and evaluating the existing Programmable Logic Controllers (PLC) configuration along with SCADA upgrades. He explained that these upgrades would allow for more automated control of the pump station during wet weather, when the station can quickly become inaccessible due to flood waters in this area. Mr. Leist recommends approval of the Capital Project Authorization in the amount of \$138,129.00 which includes the Professional Services Authorization in the amount of \$59,129.00 and awarding the contract for engineering consulting services to JMT. The project will be funded by the Authority Suburban Division.

On a motion by Norma Cusick, seconded by Linda Rosenfeld, the Board approved the Capital Project Authorization in the amount of \$138,129.00 which includes the Professional Services Authorization in the amount of \$59,129.00 and awarding the contract for engineering consulting services to JMT (6-0).

Allentown Division – Sanitary Sewer Manhole Lining: Cycle 3

Phil DePoe explained this project will install a lining system for approximately 111 aged brick manholes as identified by the Authority and City staff. This project is identified as Administrative Order Work and will be funded by the City of Allentown. Mr. DePoe is requesting approval of the Capital Project Authorization Amendment No. 1 – Construction Phase in the amount of \$271,610.00 which includes the Professional Services Authorization – Amendment No. 1 – Construction Phase to Barry Isett and Associates in the amount of \$24,065.00 and awarding the contract to SWERP Inc. in the amount of \$148,325.00.

On a motion by Norma Cusick, seconded by Kevin Baker, the Board approved the Capital Project Authorization Amendment No. 1 – Construction Phase in the amount of \$271,610.00 which includes the Professional Services Authorization – Amendment No. 1 – Construction Phase to Barry Isett and Associates in the amount of \$24,065.00 and awarding the contract to SWERP Inc. in the amount of \$148,325.00 (6-0).

Allentown Division – Manhole Collars with Water Tight Frame and Covers: Cycle 3

Phil DePoe gave an overview of the project which consists of installing a frame and cover anchoring system for approximately 56 aged brick manholes identified by previous City staff. This project is identified as Administrative Order Work and will be funded by the City of Allentown. Mr. DePoe said there is a possibility that this project may extend into 2017. He is requesting approval for the Capital Project Authorization Amendment No. 1 – Construction Phase in the amount of \$315,320.00 which includes the Professional Services Authorization Amendment No. 1 – Construction Phase in the amount of \$23,210.00 to Barry Isett & Associates and awarding the contract for construction to Joao & Bradley in the amount of \$184,584.00.

On a motion by Norma Cusick, seconded by Linda Rosenfeld, the Board approved the Capital Project Authorization Amendment No. 1 – Construction Phase in the amount of \$315,320.00 which includes the Professional Services Authorization Amendment No. 1 – Construction Phase in the amount of \$23,210.00 to Barry Isett & Associates and awarding the contract for construction to Joao & Bradley in the amount of \$184,584.00 (6-0).

Kevin Baker left the meeting at 1:39 p.m.

FINANCIAL REVIEW

Ed Klein presented the Board with a PowerPoint presentation of the May 2016 Financials and also provided a Statement of Revenues, Expenses, and Changes in Net Position that have been posted on the Authority website. Mr. Klein reported that the 2015 Audited Statements are on hold due to delays in required information from the Pennsylvania Municipal Retirement System (PMRS). The auditors have been unable to complete the audit and sign-off because they are waiting for GASB 68 disclosure information. An extension to July 31, 2016 has been granted and notices have been sent regarding the delay. It is likely that the meeting to review the statements with the Finance Committee will occur sometime in August with subsequent review to the Board following. Mr. Klein stated however, that the debt service ratio for 2015 for the City Division will be 1.22.

SYSTEM OPERATIONS OVERVIEW

John Parsons reviewed the May 2016 report that was attached to the Board agenda.

STAFF COMMENTS

Liesel Gross commented on the Board's next meeting on July 11th. The regular meeting is scheduled for noon as planned and an evening meeting has been set for 6:30 p.m. in the LCA main conference room to review the current status of the work being completed in Western Lehigh County to address the EPA Administrative Order for sanitary sewer overflows. The evening meeting is not an official Board meeting, so Board members may sit in the audience and listen to the presentation and the public's questions and comments.

SOLICITOR'S COMMENTS

None.

PUBLIC COMMENTS / OTHER COMMENTS

Chairman Nagle announced that Liesel Gross has been the Authority CEO for 6 months and the Board is planning to conduct an evaluation on her performance at an upcoming meeting.

EXECUTIVE SESSION

None.

ADJOURNMENT

There being no further business, the Chairman adjourned the meeting at 2:02 p.m.

Richard H. Bohner
Secretary