

**REGULAR MEETING MINUTES**  
**September 11, 2017**

---

The Meeting of the Lehigh County Authority was called to order at 11:04 a.m. on Monday, September 11, 2017, at which time Chairman Nagle called an Executive Session regarding potential litigation. Other Members present at the commencement of the meeting were: Linda Rosenfeld, Kevin Baker, Jeff Morgan, Richard Bohner, Norma Cusick, Scott Bieber, Ted Lyons and Deana Zosky. Authority Staff present were Liesel Gross, Brad Landon, Ed Klein, Chuck Volk, Chris Moughan, John Parsons, Susan Sampson, and Lisa Miller. Phil DePoe entered the meeting at 12:05 p.m.

The Executive Session ended at 12:23 p.m.

Chairman Nagle announced a break at 12:23 p.m. The meeting reconvened at 12:28 p.m. at which time the regular meeting was called to order.

**REVIEW OF AGENDA**

Chairman Nagle announced that today's Board meeting is being videotaped and streaming live and recordings will be posted to the Authority's website.

Chairman Nagle noted there was an Executive Session at 11:00 a.m. prior to the regular meeting; the topic was potential litigation. There are no additional agenda changes.

**APPROVAL OF MINUTES**

**August 28, 2017 Regular Meeting Minutes**

Richard Bohner suggested several corrections for grammar, word choice and phrasing. Scott Bieber asked that on page 2, fourth paragraph under the 2018-2022 Draft Capital Plans heading, the reference to *Little Lehigh Creek* be changed to *Spring Creek*.

On a motion by Richard Bohner, seconded by Ted Lyons, the Board approved the Minutes of the September 11, 2017 meeting as corrected above (9-0).

**PUBLIC COMMENTS**

Joyce Marin, a Longswamp Township, Berks County resident with a Macungie mailing address, stated she read an article in the newspaper regarding blending and wants to learn more about this topic. Ms. Marin also stated she is concerned about the overall water table and how groundwater is being monitored because wells in her neighborhood are going dry. Liesel Gross addressed her concerns stating that weekly reports are posted on the Authority's website showing surface water and groundwater conditions within the Little Lehigh Creek basin. The Authority has established new drought triggers based on a collection of measures including the water level in the Little Lehigh Creek, a groundwater quarry in Fogelsville and a monitoring well in the Lower Macungie area. All triggers and other supplies are showing normal levels and Ms. Gross added that the Authority has not heard of any private wells going dry. Ms. Gross asked Ms. Marin to contact her after the meeting with information on the wells that are going dry so the Authority can use this information with other evaluations the Authority is doing. John Parsons gave an update on the status of the watershed monitoring project being led by Al Guiseppe of Spotts, Stevens and McCoy.

**ACTION AND DISCUSSION ITEMS**

**2018-2022 Capital Plans – Review of Public Comments Received**

Chuck Volk handed out the comments that were received from the Lehigh Valley Planning Commission (LVPC) and comments received from the City of Allentown (COA). Liesel Gross noted the Authority received the comments from the City late on Friday. The comments will be reviewed and the Authority will respond to them. The Board requested to see the Authority's response to the City when complete. Ms. Gross noted that more detail of the City Division water projects will be provided in the presentation of the Water System

Master Plan that Arcadis will be presenting next. The Board asked if there were any public comments. There were none. The LVPC and COA comments will be placed on the Authority's website.

### **Allentown Division – Water System Master Plan Presentation**

John Parsons, who was the project manager for this project, gave an overview of the study. Tony Dill and Marnie Bell were present from Arcadis and gave a PowerPoint presentation providing the scope and key findings of the Water System Master Plan. The purpose of the plan was to assess the current condition and remaining useful life of the water system infrastructure (excluding distribution system piping), identify prioritized projects that reduce risk, improve reliability, enhance operations, and develop a capital improvement plan (CIP) that encompasses 50-year planning period and addresses short and long term needs.

Deana Zosky asked how the Authority is integrating all study results with other planning documents and the budget. Chuck Volk said that the results were put into the Capital Plan.

In response to Board member questions about the Lehigh River intake project outlined in the plan, John Parsons commented that a lot of work has been done with the Pennsylvania Department of Environmental Protection (DEP) on the taste and odor regarding the Lehigh River, since that has been a complaint of customers at times when the Lehigh River intake has been used to provide water. The taste and odor problem originates from Geosmin and MIB (Methyl-Isoborneol) found in the water, especially during low-flow conditions that the Lehigh River often experiences.

Ted Lyons asked what would happen if the Authority loses use of the Little Lehigh Creek intake. John Parsons explained the water plant would struggle to keep up with the system demands, especially if not using the Lehigh River intake.

John Parsons provided three hardcopies of the entire report for anyone who wants to review it.

Kevin Baker asked if anything in the report provided a level of surprise. John Parsons said they were not surprised by the results of the report because it's an old system and the results are typical of an old system.

Liesel Gross said the master plan was submitted to the City in August and they are currently reviewing it.

### **CH2M Contract Extension**

Kevin Baker recused himself from this discussion because of a professional relationship with CH2M through his employment. A Conflict of Interest Disclosure form was signed and will be attached to the Minutes. Liesel Gross provided a memorandum describing the Operations & Maintenance Contract Renewal and introduced Joe Nattress, Kevin Dahl, and Diana Heimbach from CH2M. Chuck Volk gave a brief background of the work and negotiations regarding the services CH2M provides.

Joe Nattress presented a PowerPoint overview of the processes and operation of the industrial wastewater pretreatment plant (PTP) in Fogelsville along with a background of CH2M and its history of working relationship with the Authority.

Liesel Gross described the history and negotiations regarding the contract renewal between the Authority and CH2M. Highlights of the contract terms and changes in three major areas include rate setting, the waste hauler program, and guaranteed cost savings/process improvements.

The Board commented on the waste hauler program regarding testing and registration. Diana Heimbach responded describing how the haulers are checked and the frequency of testing. Haulers must be pre-registered and permitted prior to unloading at the plant.

Liesel Gross explained the benefits of extending the contract with CH2M that result in cost savings and process improvements. Joe Nattress described three capital improvements which are possible because of

the longer term of the contract that will be at no additional cost to the Authority but will result in shared cost savings for both parties.

Liesel Gross reviewed the process the Authority used to analyze and evaluate the competitiveness of CH2M's pricing and drafted a summary comparing the costs for LCA to operate the plant itself with its own personnel versus CH2M operating the plant. The cost is very similar however, if the Authority were to operate the plant, the Authority would not have the benefit of CH2M engineering expertise and public outreach, the transition cost would be significant because of upfront costs due to the costs incurred to hire personnel and purchase replacement equipment, as well as the costs to implement capital investments that CH2M will fund.

Liesel Gross said that based on the review of the contract by Authority Staff and Brad Landon, and in addition to the strong partnership with LCA and CH2M, it is recommended the proposed O & M contract be approved.

Deana Zosky stated her concerns regarding capacity and long-term maintenance strategies as it relates to industrial customers and the ability of the Authority to recover the full cost of maintaining the facility. She also asked how the Authority is protected against any risks associated with the waste hauler program; Joe Nattress and Diana Heimbach explained the risks and explained how the new program will serve to minimize the risk to the Authority and CH2M, holding permitted haulers and waste generators responsible for the waste they discharge to the facility.

On a motion by Jeff Morgan, seconded by Norma Cusick, the Board approved the CH2M contract extension and authorized Staff to execute the contract with the ability to make any minor changes in the final version that do not materially change the terms in the version shared with the Board and reviewed for the meeting (8-0). Kevin Baker recused himself.

### **Allentown Division – Kline's Island WWTP Phase 1 AO Design Improvements**

Phil DePoe gave an overview of the project to respond to the EPA Administrative Order to eliminate sanitary sewer overflows (SSOs) and specifically to eliminate the use of Outfall 003 at Kline's Island Wastewater Treatment Plant (KIWWTP) to discharge untreated wastewater to the Little Lehigh Creek during wet-weather events. He reviewed the City of Allentown's (City) proposed two options to address this, including options for flow equalization and blending. Kleinfelder had previously completed the conceptual design for these options including developing of cost estimates for two phases of work. The City is responsible for determining the scope of the project and paying for the work, and recently directed the Authority to proceed with final design of the first phase of work on the blending option only. Mr. DePoe explained that Kleinfelder developed a proposal to complete the final design of the work, and he described all the components at the KIWWTP that would be included in the design. Ultimately, the blending option would include addition of tanks and other treatment facilities so that peak flows that exceed the plant's current 87 million gallon per day (MGD) peak flow capacity to receive primary treatment and disinfection, blending the treated effluent with flows that receive full treatment, and resulting in effluent discharges that meet all permit requirements.

Liesel Gross explained that since this item had been tabled from the August 14, 2017 Board meeting agenda, Kleinfelder was asked to prepare an updated proposal that would include work stoppages at key points along the design schedule to allow for the City and Authority representatives to pursue regulatory and legislative outreach initiatives aimed at securing a formal decision on the blending alternative prior to spending the full amount of the design contract. She referenced the recent news article that clarified the regulatory position that no formal decision would be provided on blending until a permit application was submitted, and the final design is required to prepare the permit application. However, if the outreach to regulators is successful in securing a formal decision sooner, that could save all ratepayers unnecessary design expenses. Kleinfelder provided a revised proposal to capture this request, which was described in more detail in the memo distributed to the Board prior to the meeting.

Kevin Baker asked what would happen if the Authority did nothing at the KIWWTP, and Mr. DePoe explained that overflows at Outfall 003 would continue anytime peak flows would exceed 87 MGD.

Linda Rosenfeld asked for clarification of the conditions in which blending would be used and stated that if it is only during peak flow period, the water level in the river is so high that the blended effluent being discharged would have minimal impact. Mr. DePoe confirmed that the blending facilities would be used during storms when the wastewater flows exceed 87 MGD and that Kleinfelder's conceptual design work has confirmed there is no measurable difference in effluent quality for blended waste versus waste discharged if flow equalization facilities were constructed.

Deana Zosky expressed her concern for downstream users of the Lehigh River that would be receiving the blended effluent, and that the impact to environmental quality is important to consider.

Marisa Altman, Allentown resident, stated that she believes there is a lot of ambiguity about the blending issue and the true impact it would have on the environment. She expressed concern about the potential for increasing frequency of larger storms that create the peak flow conditions, and that the City and other communities need to address the root cause of the problem. She suggested that the use of green infrastructure for stormwater management could help mitigate the peak flows. She also asked what would happen if the City invests in blending facilities now, only to find later that regulations don't allow it.

Liesel Gross thanked Ms. Altman for her comments and reminded the Board and public that the facilities to be constructed at the KIWWTP are only a part of the overall solution being contemplated. In the Western Lehigh County region, the townships and boroughs have partnered together to develop strategies to improve their sewer systems and address leakage. This will reduce peak flows, and even more leakage will be removed if other communities and the City of Allentown complete more work in their own systems as well.

Dan Koplisch, consultant to the City of Allentown, provided a handout describing a study completed by Kleinfelder in 2016 to determine the water quality impact of blending. He explained that the permit requirements are established to protect the environment and sensitive ecosystems during very low-flow conditions when the KIWWTP discharge has the greatest impact on the environment. Because the blending facilities would only be activated during high-flow conditions, and the resulting discharge would continue to meet permit requirements, there is no measurable environmental impact caused by blending versus other alternatives. Blending is also the lowest cost alternative. Mr. Koplisch also distributed a diagram of the KIWWTP, showing the footprint of flow equalization tanks that would be required to achieve similar results as blending. He expressed concern over the ability to expand the plant in the future if flow equalization tanks are constructed and in the event that regulatory changes require additional treatment facilities to be added at the site.

Jeff Morgan asked for confirmation that the blending facilities would treat the peak flows and discharges would continue to meet permit requirements. Phil DePoe explained Kleinfelder's conceptual design work indicates all permit requirements would be met.

Ted Lyons asked about the work completed to date by Kleinfelder and if there is any reason that they completed more work than anticipated, as indicated in the Authority staff memo. Mr. DePoe responded that the consultant's familiarity with the KIWWTP facility and its operations staff allowed more work to be completed in the conceptual design phase, and this will result in a lower overall project cost as their final design proposal is also well below the anticipated design cost for this work.

On a motion by Scott Bieber, seconded by Linda Rosenfeld, the Board approved the professional services authorization, amendment number 2, for Kleinfelder in the amount of \$874,620.00 for the final design of the City Division Administrative Order Phase 1 Improvements, as amended by the updated proposal distributed and discussed by the Board (8-1). Deana Zosky opposed.

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

Liesel Gross called the Board's attention to four items under Finance & Administration section of the report (the 2018-2022 Capital Plan, 2018 Preliminary Budget, 2018 Western Lehigh Rates, and Suburban Water Rate Study) as they all relate to the 2018 Preliminary Budget. Deana Zosky suggested that budget assumptions, rate structures, operating budget, and capital plans should be integrated and presented together for approval as a single financial strategy. Liesel Gross responded that the Authority staff will review this prior to the submission of the meeting agenda for the September 25, 2017 Board meeting.

### **STAFF COMMENTS**

Liesel Gross recognized the Board for coming in early for the meeting and appreciates their level of dedication and detailed feedback provided on the items discussed at this meeting.

Susan Sampson announced that Liesel Gross has been selected by the Pennsylvania Municipalities Authorities Association (PMAA) as the 2017 Employee of the Year and will be honored at a dinner in Hershey that evening.

### **SOLICITOR'S COMMENTS**

None.

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

None.

### **EXECUTIVE SESSION**

An Executive Session was held at 11:04 a.m.

### **ADJOURNMENT**

There being no further business, the Chairman adjourned the meeting at 2:54 p.m.

---

Richard H. Bohner  
Secretary

CONFLICT-OF-INTEREST DISCLOSURE FORM

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

WHEREAS, Section 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, an issue has been raised for a vote before the Board of Directors of the Lehigh County Authority from which the undersigned wishes to abstain due to such a conflict of interest.

NOW THEREFORE, Kevin Baker, serving as a member of the Board of Directors of the Lehigh County Authority, does hereby announce, disclose and abstain from voting on the issue of CH2M HILL Contract Extension to avoid a situation which may be perceived as a conflict-of-interest because my company has contracts with CH2M HILL

Date 9/11/2017

Kevin Baker

Director of the  
Lehigh County Authority