

**LOWER SAUCON AUTHORITY
MINUTES OF MEETING
FEBRUARY 21, 2023**

1. Call to Order

Mr. Gress called the meeting to order at 6:30 P.M.

2. Roll Call

Present were Mr. Gress, Chairman; Mr. Smith, Vice Chairman; Mr. Werner, Secretary; Mr. Davis, Member; Mr. Keich, Member; Mr. Thakkar, Member; Mr. Ross, Administrator; Ms. Fetzer, Assistant Administrator; Mrs. Kerchner, Secretary; Mr. Backenstoe, Attorney; (Mr. Corcoran and Mr. Reccek were not present and Mr. Carocci arrived after roll call, Mr. Youst was present via zoom).

3. Citizen Agenda Items

None.

4. Minutes

Motion by Mr. Werner, Second by Mr. Gress to approve the minutes dated January 17, 2023 as presented.

Roll Call 5-0- Motion Approved. (Mr. Keich abstained and Mr. Corcoran was not present).

5. Financial Report

Mr. Gress reviewed the highlights of the financial report that Mr. Corcoran emailed the Board Members. He said the month and year to date reports are the same given we are in January. Also, revenues are lower than budget as budget is average month, first month of a quarter is lower than average due to billing timing and there are no concerns. Costs are lower than expected as sewer costs from Bethlehem are paid on the quarter, not the month. Water costs from Bethlehem are paid monthly. There was no meaningful project spending, and we are in a good cash position.

6. Agenda

A. Safety Glass

Mr. Ross said the bullet-proof glass for the front counter has been ordered. He said we are expecting the delivery of the glass sometime in March. Mr. Ross said he is in the process of gathering quotes for the installation of the glass. He said he will have quotes for glass installation for the Board Members to examine at the March meeting.

B. Saucon Overlook Intermunicipal Agreement

Attorney Backenstoe said this is the development where Upper Saucon cannot serve water to all of the 16 homes being built. Lower Saucon Authority will serve water to 10 of the 16 homes. He said the Authority entered into a letter agreement back in June with Upper Saucon. Attorney Backenstoe said he prepared a formal water service agreement for the development with Upper Saucon. The agreement is now signed.

The Board Members then made a motion to approve the agreement.

Motion by Mr. Gress, Second by Mr. Davis to approve the Saucon Overlook intermunicipal water service agreement.

Roll Call 6-0 Motion Approved. (Mr. Corcoran was not present).

C. Creekside Update

Mr. Ross handed out an updated project timeline. Mr. Ross said one change to the timeline is under the current project milestones in section five under possible LSA meeting date for approval of easements the date should read June 20th 2023.

Mr. Youst then went into a brief overview of the project timeline. Mr. Youst said there has been a lot of activity since the last meeting. He said if you recall the day of the January board meeting, we received the blessing to move forward with the final project design phase. The top five blocks in the project timeline touch on the multiple things that are involved to wrap up before we can pursue bidding for the project. Mr. Youst then went over the project timeline with the Board Members. He said we now need an NPDES permit because of the bridge. The Authority needs to pursue the necessary permits then the easements. He then went over the construction timeline. He said the delivery for the generator is about 12 months out, but we cannot order it now since we do not have the drawings and are still working on what the capacity would need to be. He said he reached out to the building supplier for the building that will house the generator. Mr. Youst explained what kind of building the Authority would need. It is an option for the Authority to have a proposal for a procurement contract for the building and generator from the

supplier. The Authority would enter into a contract with the supplier who is part of COSTARS and we would not need to bid this out to the public. They can provide a proposal that is essentially two phases with two prices. The first part would be for the preparation of shop drawings for the building and the generator prepared and submitted for review by the Authority. The drawings would be completed as if the generator and the building are ready to be built. The paperwork and drawings part of the contract would be paid for by the Authority. Mr. Youst said this procurement contract would be awarded in May before we receive any permits. This would save time for the Authority. The risk for the Authority would strictly be the cost of the shop drawings. We are not committed to the fabricating, delivery or ownership of the building or generator. The shop drawings would be on hold until the Authority needs them. When needed the Authority would tell the supplier we are ready for phase two, which would be the fabrication of the building and generator. There would be a provision that the Authority can cancel the second phase if needed and we would only be out the cost of the shop drawings. Our projection would be to have the shop drawings completed and approved by the end of the summer. This is ahead of the potential award date of December 2023 for the construction contract. Once we receive the bids for the construction costs we will already know what the cost proposal is for the building and the generator. Then we would notify the building supplier to move forward with the fabrication of the building and the generator once the construction bids are completed. This would start December 5, 2023. This would save almost four months because we would be able to notify the supplier in December to begin fabrication. This could shorten the time of the pump station being operational from June of 2025 to about February of 2025.

Mr. Thakkar asked Mr. Youst for a copy of the drawing of the site with the new PennDOT bridge alignment and where the lines will be moved, which now require the NPDES permits for his review. He asked if we were to authorize the shop drawings of the building and the generator it would save the Authority about 60 days. Mr. Youst said it could save about a minimum of 3 months to about 4 months. The Board Members then discussed the option of moving forward with pursuing the shop drawings for the building and the generator and deciding if they would like to take the cost risk for the drawings. Mr. Youst said we should have the shop drawing formal proposal for the May meeting.

Mr. Ross said he met with the Administrator from Hellertown Borough Authority today and explained our project and the timeline. He said Hellertown is planning to put their project out to bid for their pump station improvements this spring. They are not sure how long the improvements will take but Mr. Ross said it will probably be about a year. Mr. Ross said he would appreciate it if Hellertown's administrator would ask her board about extending our sewer agreement with them. He explained how the Meadows Road bridge has affected our timeline greatly. He would like to see if the agreement can be extended at least until their new pump station is operational because at that point we do not want to have to pay for part of their improvement costs since we will not be using their pump

station services for long at all. The Authority would then just pump out our temporary station more frequently until the new pump station is completed.

The Board Members discussed having the shop drawings completed and the risk it would be for the Authority. Mr. Gress said once we have the cost of what the drawings will be we can then make a decision as a board. This will then be a huge time savings for the Authority with the project. Mr. Keich said that we would have made our timeline before COVID and now we are behind and asked if we can get the extra costs paid for. It was then reminded to the Board Members that the County will be reimbursing the Authority for our added expenses because the bridge redesign affects our project.

There was a short discussion and it was determined by the Board Members to have Attorney Backenstoe begin communications with the County to get it in writing that we will be reimbursed for our added expenses because of the bridge.

Motion by Mr. Gress, Second by Mr. Smith to have Attorney Backenstoe work with Mr. Ross and Mr. Youst to write a letter to PennDOT and the county outlining the added expenses the Authority has had due to the bridge causing the disruption in our timeline and the foreseeable future to ensure that these costs are covered.

There was then a short review of how Mr. Ross and Mr. Youst were told that the Authority would be reimbursed for our expenses due to the bridge. The Board Members decided to let Attorney Backenstoe pursue this how he deems necessary. Mr. Ross suggested setting up a meeting with the county and PennDOT.

Motion by Mr. Gress, Second by Mr. Davis to enter an executive session.

Roll Call 6-0 Motion Approved. (Mr. Corcoran was not present).

The meeting adjourned for an executive session to discuss potential litigation.

After a brief discussion the Board Members adjourned the executive session and the regular meeting reconvened.

Motion by Mr. Gress, Second by Mr. Davis to move out of the executive session.

Roll Call 6-0 Motion Approved. (Mr. Corcoran was not present).

Mr. Gress rescinded his previous motion regarding this matter and Mr. Smith rescinded his second to the motion.

A new motion was made based on what was discussed in the executive session.

Motion by Mr. Gress, Second by Mr. Smith to have Attorney Backenstoe, Mr. Ross, and Mr. Youst sit down with the powers to be with the Meadows Road bridge to discuss reimbursable expenses relating to the bridge intrusion into our timeline.

Roll Call 6-0 Motion Approved. (Mr. Corcoran was not present).

Mr. Ross said he would like a motion from the Board Members to approve the cost of the two appraisals that are needed. Attorney Backenstoe said he would like to explain about the easements. He said that he had a draft of the easements done right away and completed them after the last board meeting after Mr. Youst had the last of the information. He said our next step is to communicate with the property owners at the easement locations. Attorney Backenstoe said he had Mr. Ross talk to both property owners to begin communications and to let them know that there will be appraisers at their property. Attorney Backenstoe said the easements are subsurface easements. He feels positive about these easements. Mr. Thakkar asked if there will be any open trench work at the easement locations and Mr. Youst said there would be for the catering property. Mr. Youst then explained what the easements would entail based upon the work the Authority will be completing.

Mr. Carocci asked for a timeframe of when the appraisals will be completed. Mr. Ross said the appraisal company said there is about a 4-week turnaround. Mr. Ross asked the appraisal company if the appraisals could be completed by our next meeting March 15th and they said they will try their best to have them completed then but they cannot guarantee they will be.

The Board Members then made a motion to approve having the appraisals completed.

Motion by Mr. Keich, Second by Mr. Gress to approve the amount of \$2,400 for the appraisals from Indian Valley Appraisal Company for the easements at the L&P Real Estate Holdings LLC property and the Murray property for the Creekside pump station.

Roll Call 6-0 Motion Approved. (Mr. Corcoran was not present).

7. Citizen Non-Agenda Items

None.

8. Reports

A. Attorney

Attorney Backenstoe had nothing further to report than his update regarding the Creekside project.

B. Engineer

Mr. Youst said in addition to the work on the Creekside project last month he completed the annual sewer report and submitted it to the City of Bethlehem last week. He said next is the annual water report that is due to the City of Bethlehem at the end of April, but we must wait for information they provide the Authority to complete the report.

Mr. Youst reiterated that every bit of work Hanover Engineering has done because of the bridge has been invoiced separately to the Authority so it can be reimbursed by the county. It was noted by Attorney Backenstoe to look into sending our current costs in to be reimbursed now and not to wait until the end.

C. Administrator

Mr. Ross said the Authority website has been redesigned and he feels it looks great. The Board Members agreed the website looks much better.

Mr. Ross said for water lost we strive to have no more than about 10% lost water for each month. He said this past quarter our lost water came in at 6%. He said Mr. Reccek and the crew do a great job with leak detection to keep the lost water amount this low.

Mr. Ross said he completed and submitted the Chapter 110 water report. He said he has the DRBC water report and the WAPCR water report that he is hoping to have done the beginning of March.

Mr. Ross reminded the Board Members of the March meeting being changed to March 15th.

D. Chairman

Mr. Gress had nothing to report.

E. Members

Mr. Davis said he has been thinking about how the Authority is fortunate to only increase rates for our customers when it is absolutely necessary. He said we have such good will with our customers because we explain to them when we increase our rates why it is necessary. He suggested expanding on our customer relations and goodwill. He would like to look at ways for the Authority to get some education about the Authority out to our customers. This is to help our customers understand more about the Authority. Mr. Ross said he could post our lost water numbers on our website and Facebook page to show how we are working to keep that down. Mr. Davis said we did not really get any complaints

from our customers about the last water rate increase because we were very transparent with our customers in the letter, we sent them. Mr. Davis said he would like to work with Mr. Ross to develop this. Mr. Ross noted that he does include an article in the Lower Saucon Township newsletter that is sent out to residents every quarter. Mr. Davis said that we want to be transparent with our customers. The Board Members agreed to having Mr. Davis share his ideas with them at one of the board meetings when he is ready.

Mr. Carocci, the Council Liaison thanked Mr. Youst for creating a timeline for the Creekside project. He said he looks forward to the cost proposal for the shop drawings for the project. He thanked the Board Members for being involved and asking great questions and having a good discussion regarding the Creekside project. He said that the Board Members have a duty to the township residents to make sure we are doing all we can for the residents. He thanked the Board Members for their service.

Mr. Gress also thanked the Board Members for their service.

9. Adjournment

Upon Motion by Mr. Davis, Second by Mr. Smith the February 21, 2023 Board Meeting adjourned at 8:00 P.M.

Respectfully Submitted,

Emily Kerchner
Recording Secretary

