

**LOWER SAUCON AUTHORITY  
MINUTES OF MEETING  
JANUARY 17, 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. Werner, Secretary; Mr. Corcoran, Treasurer; Mr. Smith, Member; Mr. Davis, Member; Mr. Thakkar, Member; Mr. Carocci, Council Liaison; Mr. Ross, Administrator; Ms. Fetzer, Assistant Administrator; Mrs. Kerchner, Secretary; Mr. Backenstoe, Attorney; (Mr. Keich and Mr. Reccek were not present and Mr. Youst was present via zoom).

**REORGANIZATION**

1. Motion by Mr. Davis, Second by Mr. Corcoran to retain Mr. Gress as Chairman, Mr. Werner as Secretary, Mr. Corcoran as Treasurer and to nominate Mr. Smith as Vice Chairman for the year 2023.

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

**APPOINTMENTS BY THE BOARD**

1. Motion by Mr. Gress, Second by Mr. Werner to retain the Solicitor as David Backenstoe and Jack Seitz as the bankruptcy attorney for the year 2023.

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

2. Motion by Mr. Gress, Second by Mr. Smith to retain Brad Youst and Hanover Engineering as the engineer for the year 2023.

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

3. Motion by Mr. Gress, Second by Mr. Werner to retain Hutchinson, Gillahan & Freeh, P.C. as the Auditor for the year 2023.

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

4. Motion by Mr. Corcoran, Second by Mr. Werner to reapprove the current check signers as Mr. Corcoran, Ms. Fetzer, Mr. Ross (emergency signer) and to add Mr. Gress as check signer for the year 2023.

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

5. Motion by Mr. Gress, Second by Mr. Werner to retain the depositories of funds as Fulton Bank, PLGIT and Embassy Bank for the year 2023.

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

6. Motion by Mr. Davis, Second by Mr. Werner to keep the meeting dates as the third Tuesday of the month at 6:30 P.M. (except for the March meeting where it will be held Wednesday March 15th, the September meeting where it will be held Wednesday September 20<sup>th</sup> and the October meeting where it will be held the final Wednesday of the month) for the year 2023.

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

#### **7. Citizen Agenda Items**

None.

#### **8. Minutes**

Motion by Mr. Gress, Second by Mr. Corcoran to approve the minutes dated December 12, 2022 as presented.

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

#### **9. Financial Report**

Mr. Corcoran said the treasurer's report shows the full 2022 year. Mr. Corcoran said the revenues align with expectations. There was enough cash flow generated to invest in our capital investment program. We have a good amount invested in PLGIT where we are getting a higher interest rate. Mr. Corcoran then refreshed with the Board Members the financial handouts that are included in the board packet. Mr. Ross then offered the Board Members an explanation of what funds the Authority has and what each fund represents, especially since we have a new Board Member.

## **10. Agenda**

### **A. Reorganization**

The reorganization took place at the beginning of the meeting.

### **B. Water Capital Charge Increase**

Mr. Ross said we had talked about raising the capital charge last year, but we were hit with a water rate increase from the City of Bethlehem, so we held off since we raised the water rates for our customers. Mr. Ross said he would like to raise the water capital charge from \$6.00 a quarter to \$9.00 a quarter. Mr. Ross said the capital charge has never been raised since it has been put in place. Mr. Ross said we do rely on the capital charge funds for water projects. Mr. Corcoran said that if a customer were to ask what the funds are earmarked for, he asked what we would tell them. Mr. Ross said the funds would be used for unbudgeted water emergencies.

Mr. Smith said to point out the other side he said Fund 1 is used for water expenses. Mr. Ross said yes but the water balance in Fund 1 is low. Mr. Thakkar asked if the water capital charge is differentiated between residential and commercial. Mr. Ross said the capital charge is the same flat rate for all water customers. Mr. Thakkar also asked if the water fees are the same for each customer or if they are different for residential and commercial. Mr. Ross said the water fees for usage are the same for every customer, however the charge is different for each size meter.

Mr. Smith said that with the Creekside project we will use a great deal of our funds. It was determined the Authority will still have about one year of operating costs after the Creekside project. Mr. Smith said he understands the water funds are a bit low but asked if this is the right time to raise the capital charge. Mr. Ross said he feels it is time to raise the capital charge with respect to income and the fact that interest rates are expected to come down later in the year.

Mr. Gress asked if the expenses for Creekside are going to increase. Mr. Ross said every day there is a delay on the project the costs keep increasing.

The Board Members then paused the capital rate increase discussion and went to the Creekside agenda item.

The Board Members decided after the Creekside update and discussion to hold off on the water capital charge increase until we see if we receive the grant for the Creekside project.

### C. Creekside Update

Mr. Ross handed out the Creekside expenditures spreadsheet. Mr. Youst said today he found out that PennDOT has given clearance for final design. We can now work on obtaining the necessary easements. Also, we can now submit the necessary documents for the environmental permits along with the NPDES storm water permit that is now required. Mr. Youst said he can work on the permits that are needed for the pump station building as well. All this work has been on hold because PennDOT only issued a preliminary design level approval to move forward. Since that was the case, the funds were at risk of not being reimbursed if we were to complete further work without final authorization. Mr. Youst said we used a cost estimate from M.F. Ronca for the construction part of the project for the grant submittal. The cost estimate for the project is much higher than the amount that has been hanging out in the Authority budget from the previous administrator years ago.

If the Authority receives grant funding this will help a great deal with the cost of the project.

Mr. Corcoran said the updated estimate for this project is 2.6 million dollars, which is significantly higher than the estimate from years ago which was 1.8 million dollars.

Mr. Ross also reminded everyone that there are reimbursable expenses from the county for the extra incurred costs because of the bridge.

It was asked if the NPDES permit expenses will be reimbursable and Mr. Youst said he is billing that work to the reimbursable fund.

Mr. Carocci said he would like to see a project timeline and expressed the importance of making sure the timeline is followed.

Attorney Backenstoe noted that there are two easements the Authority will need to obtain. He said he has drafted the easements with all the information he could right now since we were held up with PennDOT. He said that he will finish the easements with the information Mr. Youst can now provide him with right away. He said the only hold up with the easements would be if we need to obtain them by eminent domain.

Mr. Thakkar asked if Mr. Youst could send him the project drawings so he can review them. It was determined that Mr. Youst would send the drawings to Mr. Thakkar.

Mr. Smith asked if the Creekside spreadsheet can be reviewed again to check the figures as he is not sure it aligns with the budget. Mr. Ross said he can now adjust the spreadsheet since we have PennDOT approval to move forward. The Creekside spreadsheet will be updated with the Ronca estimate.

Mr. Carocci was very adamant about setting a project timeline and following the timeline and said there should be an explanation if the timeline is not met.

After some discussion it was determined that a project timeline will be sent out to the Board Members in about two weeks.

Mr. Thakkar also asked for the footprint drawing for the bridge. Mr. Thakkar then asked what the holdup was with PennDOT. Mr. Youst said we were waiting for authorization to move along with final engineering design. Mr. Youst also noted that the bridge work caused the Authority to need an NPDES permit.

Mr. Gress reviewed some of the changes that have been made with PennDOT that have caused these delays.

Mr. Carocci said he wants to make sure the timelines are being met.

Mr. Gress asked what can be accomplished while the bridge is being worked on and when the bridge work would be completed. Mr. Youst said the last paperwork he saw from PennDOT was that they would award the bid for the bridge in the 1<sup>st</sup> quarter of 2024. He has heard that it is likely to start later than that.

Mr. Gress asked if the Authority could complete our project without the bridge work being done. Mr. Youst said we can, and we would like to get as much done as possible around the bridge before the construction work for the bridge begins.

Mr. Carocci said the part of our project around the bridge and the water ways can be done before PennDOT begins work. He said if that is correct why are we in a time crunch if PennDOT will most likely begin work later in 2024 to even possibly 2025. Mr. Youst said that the permits and applications that we are required to have will take time to be reviewed and we also must put a bid out for the project. The timeframe for obtaining the approvals and bidding out the project will be September or November of 2023.

Mr. Gress asked if we can bid on any of the project materials or the equipment that is needed now. Mr. Youst said it is a significant financial risk without having the DEP construction permits for the building.

Mr. Smith said it will help him to include in the timeline any items that we can prebid. The Authority Board Members then can discuss what the risks are for prebids and if they are willing to take those risks. He would like to have the timeline a week before the next meeting so that the Board Members can have time to review it.

Mr. Thakkar said he senses that we do not want to be doing our construction work at the same time PennDOT is working on the bridge. He said we would like to complete our construction work before PennDOT. He said that if PennDOT is planning on construction work beginning the 1<sup>st</sup> quarter of 2024 and if they go to the 3<sup>rd</sup> quarter, we have 18 months from now to complete our work otherwise, we will have to wait until PennDOT has completed the bridge construction. We are at the mercy of when PennDOT would complete their work if they do not let us work at the same time as them.

Mr. Corcoran said a detailed timeline with what needs to be purchased will be helpful. The Board Members then can decide what risks they would like to take with any items we can purchase in advance.

Mr. Gress reviewed the discussion up to that point and said to Mr. Youst that the Board would like a timeline within the next two weeks for their review. He also said that Mr. Youst will send his documents to Mr. Thakkar for his review so he can offer any insight he may have. He said in the meantime Mr. Youst will keep working on the necessary permits.

Mr. Carocci said that Attorney Backenstoe can include his information regarding his work on the timeline as well.

Mr. Carocci said the building is not next to the bridge so he does not know why the building could not be worked on. Mr. Youst said the changes to the bridge work have changed the design which then impacts the pump and generator requirements.

Mr. Thakkar asked Mr. Youst to let him know all the permits that are needed as well. Mr. Youst said he would be glad to.

Mr. Gress asked when we will hear know if we receive the grant. Mr. Ross said sometime around June or July.

The Board now went back to the capital charge increase agenda item and discussion. The Board Members decided to hold off on the capital charge increase until we see if we receive the grant.

Mr. Gress asked if anyone had any questions and said we all know what to expect to have before the next meeting.

Attorney Backenstoe said that we had acquired the land for the pump station and obtained the easements from the adjacent property owner. He also got the zoning approvals. He now needs to obtain two new easements to work around the bridge. He said he drafted the easements but could not go further from the holdup with PennDOT. He said now he can

add the necessary descriptions from Mr. Youst to the documents and complete the easements as soon as possible. He will then have to go to the property owners.

## **11. Citizen Non- Agenda Items**

None.

## **12. Reports**

### **A. Attorney**

Attorney Backenstoe said the improvements agreement for the Saucon Overlook development have been signed. He noted that we also have a letter of credit.

### **B. Engineer**

Mr. Youst said he is working on compiling the information for the annual reports for sewer and water. He said he will work on the Creekside timeline right away.

### **C. Administrator**

Mr. Ross handed out a copy of an email he received about an update for the PFAS MCL Rule. He said the Board Members can review the information.

Mr. Ross said we budget for bulletproof glass for the window at the front desk in the office. Mr. Ross said the quote came in at \$3,860.00. He would like to purchase the glass but said he needs to shop around for someone who can install the glass.

The Board Members then made a motion to approve the purchase of the bullet proof glass.

Motion by Mr. Gress, Second by Mr. Werner to approve \$3,860.00 for Total Security Solution for purchase of bulletproof glass for the Authority front desk window and to obtain estimates on the glass installation.

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

Mr. Ross said there is upcoming PMAA board member training. He said if any of the Board Members are interested in attending the training, he will give them the information and sign them up.

### **D. Chairman**

Mr. Gress welcomed the new Board Member and thanked him for joining the Lower Saucon Authority Board. He said his knowledge will be a great asset to the board.

Mr. Gress noted that Mr. Anderson will be honored with a resolution at the council meeting tomorrow for his many years of service on the Authority Board.

**E. Members**

No members had anything to report.

**13. Adjournment**

Upon Motion by Mr. Gress, Second by Mr. Smith the January 17, 2023 Board Meeting adjourned at 8:00 P.M.

Respectfully Submitted,

Emily Kerchener  
Recording Secretary