

## INTEROFFICE MEMORANDUM

To: Tad J. Miller, City Clerk

From: John F. Spirk, Jr., Esq., City Solicitor

Re: Intergovernmental Cooperation Agreement with Lehigh County Authority, City

of Allentown and Bethlehem Authority Intermunicipal Water Service Agreement

Design and Construction of Interconnections between Bethlehem Water System

and City of Allentown Water System

Date: May 29, 2024

Attached for Council's consideration is a proposed Resolution and associated Intergovernmental Cooperation Agreement titled "Intermunicipal Water Service Agreement" between Lehigh County Authority, City of Allentown, Bethlehem Authority and City of Bethlehem.

Please place this matter on City Council's agenda for review and appropriate action.

John F. Spirk, Jr., Esq., Solicitor

John F. Spirk, Jr.

Cc: J. William Reynolds, Mayor

Edward Boscola, Director of Water & Sewer Resources

## RESOLUTION 2024-\_\_\_\_

**AUTHORIZING** THE **EXECUTION** OF ANINTERGOVERNMENTAL COOPERATION AGREEMENT PURSUANT TO 53 Pa. C.S.A. §2307, SAID AGREEMENT "INTERMUNICIPAL WATER **TITLED SERVICE** AGREEMENT" BETWEEN LEHIGH **COUNTY** AUTHORITY, CITY OF ALLENTOWN, BETHLEHEM AUTHORITY AND CITY OF BETHLEHEM.

WHEREAS, the CITY OF BETHLEHEM, is a municipal corporation being a City of the Third-Class, subject to the Optional Third-Class City Charter Law, organized and existing under the laws of the Commonwealth of Pennsylvania, its constituent parts being split by law between Northampton County and Lehigh County, Pennsylvania with principal administrative offices at City Hall, 10 E. Church Street, Bethlehem, PA 18018 (hereinafter referred to as "COB"); and

WHEREAS, the Bethlehem Authority (hereinafter referred to as "BA") owns a regional public water supply and distribution system which is operated by the COB; and

WHEREAS, the City of Allentown (hereinafter referred to as "COA") owns a public water supply and distribution system which is operated by the Lehigh County Authority (hereinafter referred to as "LCA"); and

WHEREAS, the Bethlehem Authority, City of Bethlehem, City of Allentown, and Lehigh County Authority desire to enter into an intergovernmental cooperation agreement titled "Intermunicipal Water Service Agreement" (the "Agreement") to design and construct interconnects between the water systems for the sale and purchase of public water in the event of an emergency condition in either water system ("the "Project"), in accordance with the terms and conditions set forth in the Agreement; and

WHEREAS, upon substantial completion of the construction of the Project, the parties shall enter into a separate agreement to provide for the operation, maintenance and conditions of the Project; and

WHEREAS, the Agreement's term is coterminous with the duration of the Project; and

WHEREAS, the City's payment obligations under the Agreement will be satisfied with funds appropriated in the City's budget for the Project.

NOW THEREFORE BE IT RESOLVED, on this \_\_\_\_\_ day of \_\_\_\_\_\_, 2024, that the City Council of the City of Bethlehem, approves and ratifies the Intergovernmental Cooperation Agreement titled "Intermunicipal Water Service Agreement" attached hereto and that

the Mayor and the Controller and/or such other City officials as deemed appropriate by the City
Solicitor, are hereby authorized to execute the same on behalf of the City of Bethlehem.

	Sponsored by	
ADOPTED by Council this _	day of	, 2024.
ATTEST:  City Clerk		President of Council

## INTERMUNICIPAL WATER SERVICE AGREEMENT BETWEEN LEHIGH COUNTY AUTHORITY, CITY OF ALLENTOWN, BETHLEHEM AUTHORITY AND CITY OF BETHLEHEM

THIS AGREEMENT made this \_\_\_\_ day of \_\_\_\_\_\_\_, 2024 between the CITY OF BETHLEHEM ("COB"), a Municipal Corporation with its principal address at 10 East Church Street, Bethlehem, PA 18018; the BETHLEHEM AUTHORITY ("BETHLEHEM AUTHORITY"), a Municipal Authority organized and exiting under the Municipality Authorities Act of 1945, as amended, with its principal address at 10 East Church Street, Bethlehem, PA 18018; the LEHIGH COUNTY AUTHORITY ("LCA"), a Municipal Authority organized and existing under the Municipality Authorities Act of 1945, as amended, with its principal address at 1053 Spruce Road, P.O. Box 3348, Allentown, PA 18106 and the CITY OF ALLENTOWN ("COA"), a Municipal Corporation with its principal address at 435 Hamilton Street, Allentown, PA 18101. The COB, LCA, Bethlehem Authority and COA hereinafter referred to as "Party" or "Parties". The COB and BETHLEHEM AUTHORITY hereinafter referred to as "COB Parties", and COA and LCA hereinafter referred to as "COA Parties".

WHEREAS, the BETHLEHEM AUTHORITY, owns a certain 28.6 million gallon per day regional public water supply and distribution system consisting of customers and both real and personal property including reservoirs, treatment facilities, pumping facilities, transmission mains, distribution lines, service connections, valves, meters, wells and pumping/treatment stations, electrical and instrumentation equipment, fire hydrants, and appurtenances with respect to certain easements and right-of-way herein called "BETHLEHEM WATER SYSTEM"; and

**WHEREAS**, the COB operates the BETHLEHEM WATER SYSTEM pursuant to certain Pennsylvania Department of Environmental Protection ("PADEP") permits and to a

Certificate of Public Convenience obtained from the Pennsylvania Public Utility Commission ("PUC") for a certain Certificated Service Territory; and

**WHEREAS**, the COA owns, in accordance with PADEP permits, a 39 million gallon per day public water supply and distribution system including reservoir, river intake and pumping station, treatment facilities, distributive pumping facilities, finished water storage reservoirs, transmission mains and distribution system appurtenances herein called the "COA WATER SYSTEM"; and

**WHEREAS**, the LCA operates the COA WATER SYSTEM PURSUANT TO certain PADEP permits and a 50-year Concession Lease Agreement between LCA and COA dated May 2, 2013, as amended from time to time; and

WHEREAS, in the mutual interests of all Parties hereto, the LCA, BETHLEHEM AUTHORITY, COB and COA desire to design and construct interconnects between the BETHLEHEM WATER SYSTEM and the COA WATER SYSTEM for the sale and purchase of public water in the event of an emergency condition in either water system (the "PROJECT") in accordance with the provisions of this Agreement.

**NOW, THEREFORE**, the Parties hereto, intending to be legally bound, and for the good, sufficient, and valuable consideration herein identified, and the mutual promises and covenants hereinafter set forth, do agree as follows:

- 1. The "WHEREAS" Clauses herein before set forth are incorporated and made a part of this Agreement.
- 2. The Parties agree to design and construct the PROJECT at certain locations more fully described in *EXHIBIT "A"* attached hereto and made a part hereof, under the following conditions:

- (a) <u>Design</u> The Parties agree to design the PROJECT utilizing the AECOM Water Supply Interconnection Evaluation and Conceptual Design Criteria dated December 9, 2021 (the "Design"). COB will contract with, and hold a design contract with AECOM and be reimbursed by LCA for 50% of the design costs. The Parties will jointly review the Design and provide timely written comments to AECOM for incorporation into final Design documents to be used for construction of the PROJECT, including delineation of PROJECT improvements to be constructed individually by the COA Parties and the COB Parties and those PROJECT improvements to be constructed jointly, as described in Section 2 (b) of this agreement.
- (b) <u>Construction</u> The Parties agree to jointly develop a construction schedule for all PROJECT improvements and make reasonable efforts to complete the PROJECT in accordance with this schedule. The construction of the PROJECT shall require that the COB Parties and the COA Parties each be solely responsible for the management, construction and payment of costs for such management and construction of the PROJECT improvements that occur on their respective sides of each interconnection. In addition, COB will contract for the construction of the interconnection chamber, located within the PROJECT, and be reimbursed by LCA for 50% of the construction cost. In conjunction with the construction schedule, the Parties shall enter into such construction agreements as may be appropriate and required for their respective sides of each interconnection. Any construction agreement for the interconnection chamber shall provide appropriate indemnification and liability protection for the Parties and also contain appropriate dispute resolutions and choice of law provisions, all of which shall be approved by the Parties.
- (c) <u>Operation/Maintenance</u> The Parties agree that upon substantial completion of the construction of the PROJECT, the Parties shall enter into a separate agreement to provide for the operation, maintenance and conditions of the PROJECT.
- 3. Each Party hereto agrees to indemnify and hold harmless the others, their employees, agents, officials, representatives, attorneys and assigns from any and all liability, arising directly out of the indemnifying Party's negligent activities conducted in connection with this Agreement. Each Party to this Agreement agrees to indemnify and hold harmless the other

Parties, their employees, agents, officials, representatives, attorneys and assigns from any and all liability arising from or out of any third party claims.

- 4. This Agreement may be executed by electronic signature or electronic transmission which shall be regarded for all purposes as an original.
- 5. This Agreement and the obligations of the Parties are contingent upon receipt of all applicable approvals and consents required from all governmental entities having jurisdiction of or over the matters contained in this Agreement.

IN WITNESS WHEREOF, the Parties hereto have hereunder set their hands and seals the day and year first above written.

WITNESS:	CITY OF BETHLEHEM	
By: Print Name: Title:	By: Print Name: Title:	
WITNESS:	BETHLEHEM AUTHORITY	
By: Print Name: Title:	Print Name:	
WITNESS:	LEHIGH COUNTY AUTHORITY	
By:	Print Name:	

WITNESS:	CITY OF ALLENTOWN		
By:	By:		
Print Name:	Print Name:		
Title:	Title:		





