

BETHLEHEM AUTHORITY

Minutes of the Regular Meeting Of the Board of Directors February 14, 2019

The regular meeting of the Board of Directors of the Bethlehem Authority (“Authority”) was held on February 14, 2019, in Room B504, City Administration Building, 10 E. Church Street, Bethlehem, PA. The meeting was called to order at 3:31 PM by Ms. Sharon Zondag, Authority Chairperson. Also in attendance were:

Mr. Thomas Donchez, Vice Chairperson
Mr. Vaughn Gower, Secretary
Mr. Dennis Domchek, Treasurer
Mr. John Tallarico, Assistant Secretary/Treasurer
Mr. James Broughal, Esq., Solicitor
Mr. John Filipos, CPA, Controller
Mr. Stephen Repasch, Executive Director
Ms. Sandra Zapf, Administrative Assistant
Mr. Steve Mertz, Officer/Ranger

APPROVAL OF MINUTES

T. Donchez moved and V. Gower seconded to approve the minutes of the January 10, 2019, re-organization and regular meetings. Motion passed unanimously 5-0.

RECOGNITION OF VISITORS

- Mr. Stephen Antalics, private citizen
- Mr. Ron Madison, PE, Maser Consulting and Authority Consulting Engineer
- Mr. Ed Boscola, City of Bethlehem Director of Water and Sewer Resources
- Robin and Cindy Wildermuth, Woodland Management Services, Inc.
- Gene Auman, City of Bethlehem Deputy Controller

COURTESY OF THE FLOOR

There were no comments during Courtesy of the Floor.

CHAIR

S. Zondag reported that the personnel policy and benefits handbook is reaching the final stages of completion and should be ready to present to the Board for review at the March meeting. A life insurance policy will be purchased for three staff personnel for around \$1,550.00 a year giving them \$30,000 each in coverage. It was decided to pass on long term disability this year so the \$5,000 budgeted in 2019 will not be spent. However, we will re-visit the possibly of

purchasing long term disability for Steve Mertz for 2020. Michele Sciortino, our personnel consultant, will stay on in an advisory-capacity, as-needed basis.

EXECUTIVE DIRECTOR

S. Repasch reported that on February 1st, he, Steve Mertz and R. Wildermuth attended a meeting at Long Pond with The Nature Conservancy and PA Game Commission (PGC) regarding possible prescribed fires this year. They wanted our input due to the close proximity of our property to the proposed areas and to review if some of the Bethlehem Authorities' property, that was in their program 6 to 7 years ago, should be considered for a controlled fire. R. Wildermuth also pointed out areas that would be related to our carbon program.

PGC's snowshoe hare study and the proposed prescribed fire locations appear to be in conflict. It was decided that more discussions revolving around the two issues will need to be resolved before any fires take place.

S. Repasch reported that the PGC is very close to making a decision on Sunday deer hunting and changing the first day of deer rifle season from the first Monday after Thanksgiving to the first Saturday after Thanksgiving. S. Repasch states that this policy would not only present an enforcement issue for the Bethlehem Authority but also an impact on the public access program that we are a part of. He suggested a letter be written to oppose hunting on Sunday so that the BA's opinion is on record to which the Board agreed.

Forestry Management. R. Wildermuth presented a slideshow on the timbering that was done in 2018 and upcoming plans for 2019 and 2020. Some highlights included:

- 2018 planned harvests were started late, slowed by rain and is spilling over into 2019. Stands 3N and 1L at Wild Creek are complete.
- Harvest limited; single permanent plot was included. Carbon revenue again should be above average.
- The gypsy moth is mostly gone but the spotted lantern fly has arrived.
- FSC and carbon "desk" audits complete without field visits.

Initiatives for 2019-2020:

- Spotted lanternfly monitoring/control with the PA and U.S. Depts. Of Agriculture
- Coordination of burning/TNC barrens restoration
- Update adjoiner files, monitoring system and inclusion in ArcGIS online tool
- Chestnut Restoration and study
- FSC/TNC project of DNA analysis and fiber testing – complete and send to USFS lab

Property Inventory. C. Wildermuth reported that she is working on updating the data base of adjoining properties and will provide a ranking system using the BA's criteria to monitor activity on potential properties. This will be presented to the Board shortly for their input. It was noted that the Keller property discussed last year was sold to Mazella Enterprises for \$150,000.00. S.

Repasch stated that Mazella Enterprises does white water rafting on Route 903 but does not know what their plans are for the Keller property.

C. Wildermuth brought to the Board's attention a ½ acre property that has been placed on the market in the "El-Do Lakes" development, which is in the BA's watershed. The BA owns the three adjoining sides to this property and believes that this property will attract attention due to the location, price and the fact that it is part of an "estate" sale, which usually indicates a motivated seller. C. Wildermuth will do more investigative work to see if the \$32,000 asking price is comparable to other properties and advise the Board of the results.

Fire Tower Sale. S. Repasch stated that he received a signed agreement of sale and a deposit of \$100. The buyer would like to come up from Florida in March to take a look and make a plan for removal. V. Gower requested a copy of the plan be submitted to the Board for their review and S. Repasch indicated he will contact the buyer.

Also for the record, PPL had the power disconnected from the tower.

PennEast Pipeline. S. Repasch reported that he received notification that all route amendments have been filed with FERC, all permits have been submitted to DEP, they have received their Certificate of Completeness, and are progressing with surveys of properties in New Jersey.

Wind Energy Project. The second application was denied by PFT Zoning Hearing Board and the decision was filed about two weeks ago stating noise and secondary use of property as basis for denial. Atlantic Wind or other intervener parties have until the end of February to appeal. More discussions will occur in Executive Session immediately following this regular meeting.

T-Mobile Cell Tower Amendment. T-Mobile wants to put a back-up generator on the Hecktown Rd. property that was not in the original boundary of the agreement and wants to lease an additional spot within the fenced in area. S. Repasch noted this would be an additional \$150 per month from T-Mobile. J. Broughal and E. Boscola have reviewed the amendment and found no issues with it. D. Domchek motioned and V. Gower seconded to approve T-Mobile amendment. Motion passed unanimously 5-0.

1Q19 Income and Expense Projections. S. Repasch stated that a new format incorporating this report and the Expense Budget Comparative was circulated for review and feedback.

TREASURER

Financial Planning. D. Domchek, V. Gower, S. Repasch had a conference call with S. Goldfield from PRAG, the Authority's FA to review the financing alternatives that the City's FA, PFM, is working on. S. Goldfield was asked to discuss his assessment with S. Shearer. S. Shearer from PFM is developing an updated plan incorporating S. Goldfield's assessment to be available in a week or so for discussion with the working group.

Investment Policy. D. Domchek reported that S. Goldfield reviewed the investment policy and made several suggestions for reducing risks. An amended policy was distributed. D. Domchek motioned and V. Gower seconded. Motion passed unanimously 5-0.

Investment Summary. There was one CD that matured a few weeks ago with the funds temporarily invested in the BONY Mellon Federated Treasury Fund. Three more CD's will be maturing next week and how we invest this money will have to be decided taking into account the new investment policy. D. Domchek also pointed out that the COB might have to drawdown on the BRIF account for capital spending in the upcoming months and that should be accounted for regarding investments. S. Repasch was reminded by S. Goldfield that any water fund cash available for capital investment the COB has at the end of the year should go into the BRIF account according to the Trust Indenture and Lease Agreement with the City.

Controller. J. Filipos's report for the month of January 2019 was circulated and filed and just wanted to point out that \$100,000 was transferred from Operating Account into the Capital Reserve Account and \$100,000 from the Operating Account into the BRIF account.

Resolution 429 – Approval of Expenses. S. Zondag presented Resolution 429 to the Board for the payment of expenses and transfers from the General and Reserve accounts totaling \$61,814.45.

D. Domchek moved and J. Tallarico seconded to approve Resolution 429 as presented. Motion passed unanimously 5-0.

SOLICITOR

J. Broughal had no report except for Executive Session.

CONSULTING ENGINEER

R. Madison had no report. He will call into the Executive Session.

SPECIAL POLICE

Officer S. Mertz's report for the month of February was circulated and filed.

WATER REPORT

The Water Report for the month of January, 2019, was created and filed by E. Boscola. The reservoirs are at a combined capacity of 101.25%.

CITY OF BETHLEHEM DIRECTOR OF WATER AND SEWER RESOURCES

The Director's Report was filed and circulated. E. Boscola revised the financial tables to clearly show where the money comes from and goes.

Highlights of the report include:

- The cash balance in the Operating Fund is about \$5 Million as of January 31, 2019. The COB feels a reasonable cash balance for operating purposes at the end of the year is around \$2 to \$2.5 Million so this is expected to allow the balance to be available for Capital investments.
- Attached for reference are summaries of COB's Operating Fund Revenues and Expenses for comparison over several years.
- Advanced metering project is ongoing.

COURTESY OF THE FLOOR

S. Antalics commented that he believes the best option for the BA is to appeal the PFT Zoning Hearing Board decision and feels the court of public opinion would strongly support the BA for a second use on the property

NEXT MEETING

The next regular meeting is scheduled for March 14, 2019, at 3:30pm.

ADJOURNMENT

T. Donchez moved and J. Tallarico seconded to adjourn the meeting at 5:20pm and go into Executive Session to discuss a matter with potential litigation.

EXECUTIVE SESSION

The session was called to order at 5:23pm and was adjourned at 6:07pm.

Vaughn C. Gower

Board Secretary