

BETHLEHEM AUTHORITY
Minutes of the Regular Meeting
Of the Board of Directors
July 11, 2019

The regular meeting of the Board of Directors of the Bethlehem Authority (“Authority”) was held on July 11, 2019, in Room B504, City Administration Building, 10 E. Church Street, Bethlehem, PA. The meeting was called to order at 3:30 PM by Ms. Sharon Zondag, Authority Chair. Also in attendance were:

Mr. Thomas Donchez, Vice Chair
Mr. Dennis Domchek, Treasurer
Mr. John Tallarico, Assistant Secretary/Treasurer
Ms. Lisa Pereira, Broughal & DeVito
Mr. John Filipos, Controller
Mr. Stephen Repasch, Executive Director
Ms. Sandra Zapf, Administrative Assistant
Mr. Steve Mertz, Officer/Ranger

APPROVAL OF MINUTES

D. Domchek moved and J. Tallarico seconded to approve the minutes of the June 13, 2019, regular meeting. Motion passed unanimously.

RECOGNITION OF VISITORS

- Mr. Steve Antalics, private citizen
- Mr. Gene Auman, City of Bethlehem Deputy Controller
- Mr. Ed Boscola, City of Bethlehem Director of Water and Sewer Resources

COURTESY OF THE FLOOR

S. Zondag acknowledged the birthday of the Authority’s long time visitor to their meetings, S. Antalics, and expressed gratitude for his interest in the B.A. and his life-long investment in the Community.

CHAIR

S. Zondag stated that effective with this meeting, the Authority’s audio recordings of their meetings will now be posted on City/Authority website.

EXECUTIVE DIRECTOR

Forestry Management. S. Repasch reported that four more timber stands will hopefully be done this year at Wild Creek and Tunkhannock Creek areas but will have to wait for the ground to be either very dry or very frozen.

S. Repasch informed the Board that he had just received the new fire agreement for prescribed burns from the Nature Conservancy and will pass on to Broughal & DeVito for review. Agreement will be presented at next board meeting for approval.

Daley Property. S. Repasch reported that the Daley Property on 410 Hatchery Road, that was viewed last month as part of the Authority's properties tour, was appraised for \$141,000.00. The owner offered roughly a 4% discount of the appraisal price if no realtor fees were to be included. S. Repasch noted that he is to meet with R. and C. Wildermuth on Friday regarding the property adjoiner project and believes that this report will give the Board a list of priority properties and a better perspective on whether to move on the Daley Property at this time.

S. Zondag wished to state her pros and cons regarding the Daley Property. One pro would be the ability to rent a property with a house to a hunting club for their use but one downside would be owning a physical structure and all that goes with that.

Property Adjoiner. As stated above, S. Repasch will be meeting with R. & C. Wildermuth tomorrow to go over the property adjoiner project and requested the sub-committee of T. Donchez & J. Tallarico meet with him next week to review the properties and make a recommendation to the Board.

J. Tallarico suggested revisiting the pricing structure of the hunting and agricultural leases and indicating that he had received a letter from a company that specialized in leasing properties and he will contact them for information.

Fire Tower Sale. S. Repasch stated that the buyer's crane company backed out of his contract and he is looking to contract with another crane company. As per the Authority's contract, if the tower is not removed by July 31st, S. Repasch will contact three other interested parties to purchase and remove the fire tower.

Wind Energy Project. On June 21st, arguments on the appeals were heard at the Carbon County Courthouse on Atlantic Wind's second application. S. Repasch believes the judge's decision will be made after the end of this month.

Solar Energy Project. The City of Bethlehem is in the process of reviewing the PPA (Power Purchase Agreement) from the developer for the solar project to be constructed at the City of Bethlehem's water filtration plant. J. Broughal also reviewed the agreement and made several comments which were passed on to the City's Solicitor. The lease agreement between the Authority and the developer has not yet been received.

3Q19 Income and Expense Projections. S. Repasch presented the new formatted report showing revenue and expenses for the first half of the year and projections for the 3rd Qtr. 2019. The Operating Revenue is only at 36% due to the expected carbon credits not yet received. On the Operating Expense side, the surveying costs and legal fees are for issues regarding the hunting club boundary issues. The Capital Reserve revenue is showing 19% of funding due to fees from the wind developer still outstanding.

TREASURER

Financial Planning. D. Domchek reports that he has not received a report from the City's FA, S. Shearer, regarding the Authority's FA, S. Goldfield's latest recommendation. D. Domchek requested from E. Boscola an assessment of how much cash he believes there will be from now until 2022 from available sources, i.e. BRIF, Capital Fund and future transfers from Operating Fund, and then update his Capital Plan appropriately. With this information, D. Domchek believes that S. Shearer should be able to run a scenario for the Authority and City to review.

Investment Summary. D. Domchek reported that the Investment portfolio shows the two CD's that matured and briefly deposited into the cash account were invested in two separate CD's, one CD for \$410,000.00 with People's Bank and one CD for \$410,000.00 with QNB Bank at yields of 2.62% and 2.50% respectively. There will be two CD's maturing in August.

Controller. J. Filipos' report for the month of June, 2019, was circulated and filed. J. Filipos informed the Authority that the annual DCED report was filed electronically for the first time which is now the new process.

Resolution 434 – Approval of Expenses. S. Zondag presented Resolution 434 to the Board for the payment of expenses and transfers from the General and Reserve accounts totaling \$36,347.42.

J. Tallarico moved and D. Domchek seconded to approve Resolution 434 as presented. Motion passed unanimously.

SOLICITOR

S. Repasch received 42 re-assessment notices from Monroe County regarding properties owned by the Authority. L. Pereira reported that the Board has 40 days from July 1st to appeal these notices but notes that appraisals might be required to follow through with the appeal process. She has a call into the assessment office to see if appraisals are necessary. In the meantime, she recommends appealing the notices with a contingency on whether appraisals are required and then the Board can re-visit the issue.

D. Domchek motioned and J. Tallarico seconded to authorize Broughal & DeVito to appeal the 42 re-assessment notices conditionally. Motion passed unanimously.

CONSULTING ENGINEER

R. Madison had no report but relayed to S. Repasch that he has not yet received a report from the tunnel inspection company.

SPECIAL POLICE

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

As noted on July 7th, seven individuals from Camp Harlam were observed and identified climbing the fire tower. In lieu of police prosecution and in cooperation with the camp director, the Board unanimously agreed to community service in the watershed for these individuals.

S. Repasch mentioned that he proposes purchasing a trailer for the ATV and UTV so that the equipment can be moved to the Long Pond area to do dual patrols. Although not specifically in the budget, the \$3,700.00 for the trailer would be covered by the \$6,000.00 that was allocated to cut the fire land and roads at Long Pond this year. This item will now be performed by TNC using a Grant from the Game Commission at no cost to the Authority.

WATER REPORT

The Water Report for the month of June, 2019, was created and filed by E. Boscola. The reservoirs are at a combined capacity of 100.75%.

CITY OF BETHLEHEM DIRECTOR OF WATER AND SEWER RESOURCES

The Director's Report was filed and circulated.

Highlights of the report include:

- Half-way through the year and still on target for year-end projection goals
- The cash balance in the Operating Fund is about \$8 Million as of June 30, 2019.
- A study was conducted regarding an alternative to chlorine gas as a water disinfection agent due to safety concerns at the filtration plant. The report concluded that a liquid, chlorine bleach, generated on site would be safer due to the volume needed.

COURTESY OF THE FLOOR

S. Antalics asked what is the distance between a residential property and a proposed wind turbine and S. Repasch stated it to be about ¾ mile.

NEXT MEETING

The next regular meeting is scheduled for August 8, 2019, at 3:30pm.

ADJOURNMENT

T. Donchez moved and D. Domchek seconded to adjourn the meeting at 4:26pm and to into Executive Session to discuss a matter with potential litigation.

REGULAR MEETING RECONVENED

The Executive Session was adjourned at 4:47pm and the Regular Meeting was reconvened at 4:48pm. T. Donchez moved and D. Domchek seconded a motion to authorize the Authority's Solicitor to file an appeal in Federal Court against Penn Forest Township's denial of the Atlantic Wind project for the deprivation of property rights conditioned upon the Solicitor's research finding that the Authority would have standing in Federal Court on this matter.

ADJOURNMENT

The meeting was adjourned by Chair Zondag at 4:49pm.

John Tallarico

Assistant Board Secretary